SURVEY OF PROGRESS

1967 - 1968

Department of Statistics

Ministry of Planning

Kabul - Afghanistan

(August - 1968)

332.984(581)
A65

CONTENTS

Page

I GENERAL ECONOMIC ANALYSIS

Fifty Years of Development 1
An Appraisal of the 1346 Economic Situation 7
Public Finance 10
Money and Banking 20
Prices 26
Balance of Payments and Foreign Trade 30
Manpower 40
Summary of Results of Population of Greater Kabul 42

II SECTORAL ANALYSIS

Agriculture 45
Mines and Industries 61
Transport and Communication 69
Social Services 74

III STATISTICAL APPENDIX

Public Finance S1-S9
Money and Banking S10-S12
Balance of Payments and Foreign Trade S13-S18
Production Sectors S18-S20
Agriculture S18-S19
Mines and Industries S19
Transport and Communication S19-20
    Education S21-S22
    Health S23-S26
    Employment and Wages S26-S27

I General Economic Analysis

A Brief Survey Of Afghanistan's Economy During The Last Fifty Years

After Afghanistan regained its political independence, a better oundation for achieving economic freedom and economic development was aid. With the objective of accelerating economic development, the Govern- nent took various steps and a number of industries such as match factory, annery, shoe making, weaving and cement factories were started. A umber of Afghan students were sent abroad for higher education. Schools. uch as Isteqlal, Nejat, Ghazi and a number of elementary schools outside Kabul province were opened. Measures were also taken for the construc- ion of roads and highways.

Unfortunately all these ameliorative activities came to a sudden alt because of unfavourable political developments. When political tability was regained, schools were reopened, and other activities restar- ed. Since it was realized that one of the main causes of economic backwardress was the lack of roads and highways, in order to over-come this nadequacy the Government made an attempt in 1311 successfully to build he highway linking Kabul with the northern provinces. As a result of his trade between the two regions of the country got a fillip; agricultural nd mining activities, particularly coal mining, increased and the trans- ort industry was further developed.

In 1312, the first bank of Afghanistan, Bank-e-Milli, was estab- ished as a first step to encourage the growth of private investment. Even hough the initial capital was publically owned, soon the bank became an ntirely private institution, with certain monopolistic privileges given to t in the commercial field, above all with regard to the import of petrol- um products and sugar, and the export of cotton, wool and karakul skins, reviously dealt with by foreign businessmen. As a result of the attempts o encourage private investment, a number of industries including cotton inning company in Kunduz, the oil extracting company, the sugar fac- ory in Baghlan and the Pul-i-Khumri Textile Co. came up. All these ins- itutions took a cooperative form, with the Banke-e-Milli as their major tockholder. At the beginning of World War II, the economic growth eased as imports of machines and capital goods were no longer possible. After the war economic activities resumed, helping the creation of ew industries such as the Gulbahar Textile and others. But the lack of ufficient infra-structure did not allow a more rapid growth to take place n the industrial sector. The Government found it necessary to monopolize he previously private business of karakul, sugar and petroleum trade, vith a view to raising revenue for economic development. As the balance f trade and Government budget improved, time came for the initiation f a gigantic project in the Helmand Valley. For a number of years this roject absorbed all budget surplus as well as large sum of foreign economic aid. In 1332 the Sarobi hydro-electric station was built as a first step towards the creation of basic infra-structure.

With the launching of the First Five Year Plan, in 1335,-1336 the Government made concerted efforts to develop the economy. For this purpose various measures were taken to raise revenue. Between 1336-1346 Government's domestic revenues increased from 1476 million afghanis to 4179 million. At the same time friendly countries played important roles in Afghanistan's economic development by extending to her all kind of assistance. As is seen below, the volume of foreign loans and grants increased from 6.7 billion afs. during the First Plan to 16.1 billion afs. during the Second Plan:

Table 1: Revenue from Domestic and Foreign Sources
(billion Afs.)

Revenue Source	First Plan	Second Plan	Total
Domestic sources including commodity assistance	3.6	8.5	12.1
Foreign loans and grants	6.7	16.1	22.8
Private investment	0.3	0.4	0.7
Total	10.6	25.0	35.6

Financing of the Plan through domestic sources included deficit financing as well, which varied from year to year:—

Table 2: Deficit Financing
(million Afs.)

Year	Deficit
1338-39	385
39-40	804
six months 40	573
41	1057
42	556
43	709

During the first few years of deficit financing the price trend did not change significantly as the shortage of money in the rural areas in the previous years was large enough to absorb the inflationary effect of increased expenditure during the Plan period. The deficit financing had two effects however: On the one hand, it helped monetize the otherwise non-monetized rural sectors and on the other hand, it created a substitute for the money hoarded by individuals, mostly in the rural area. It was only in 1341 that prices soared significantly. Between 1341 and 1342 the price index showed a 33 percent rise in the price level, whereas between 1342 and 1344 the rise was only 13 percent. From 1344 on prices once again rose faster, 24 percent per annum. Undoubtedly, in the agrarian economies uch as that of Afghanistan, agricultural production and climatic condiions are the main causes of price stability or otherwise. For example, the nusual price increase in 1342 was largely due to poor harvest in that ear. From 1344 on, also climatic and other natural factors constituted the nain causes of price increases, causing the inflationary trend to persisit n later years. At the same time, both in 1344 and 1345, this budgetary deicit was very small. The 1344 budget was characterized by a surplus of 7 million afs whereas the 1344 budget had a deficit of only 138 million fs. not large enough to affect prices significantly.

Although government revenues from domestic sources increased rom 1476 million to 4179 million afs. yet, in view of the rapid increase n prices and compared to 35.6 billion afs. of investment within the ten ears of planning, this increase in government revenues was insignificant. Land taxes constitute the smallest portion of government revenues and a fraction of farms' incomes. Livestock taxation no longer exists. Other direct and indirect taxes are not fully collected due to administrative difficulties. Under the circumstances Government had no other choice than o rely heavily on deficit financing and on foreign economic assistace.

In 1344 and 1345 the Da Afghanistan Bank offered for sale to the narket $22.2 million and $27.4 million worth of foreign exchange, respectively. This step, in turn, encouraged the import of consumer goods and the growth of deficit in the balance of payments.

The volume of development expenditures during the First and Second Five Year Plans increased to 35.3 billion Afs. The money was allocated among various sectors as indicated in the following table:

Table 3: Financing of Economic Development
(billion Afs)

Economic Sectors	First Plan 1335-1340	Second Plan 1341-1345	Both Plans	of total expenditure As percent
Mines and Industries	3.0	8.8	11.8	33.1
Agriculture	1.3	4.4	5.7	16.0
Transport and Communications	5.1	9.6	14.7	41.3
Education, Health and Other Social Services	0.8	1.8	2.6	7.3
Miscellaneous Expenditure	0.4	0.4	0.8	2.3
All sectors	10.6	25.0	35.6	100.0

As indicated in the table the largest percentage of Plan expenditure was allotted to the transport and communication sector. In view of this and in view of expenditure on other projects, such as hydro-electric industry and geological surveys, it is clear that the construction of basic infra-structure absorbed the greatest portion of the developmental funds and this was well justified.

1. The construction of transport and communication line, the production of electric power, coal and survey of resources are the necessary pre-requisites for development and expansion of industries and agricultural sector.

2. Need for construction of social overhead was long felt, and the earlier developmental activities made it all the more apparent that heavy investment on infra-structure must come before an attempt is made to develop industry and agriculture.

3. Foreign economic assistance, as a rule, could be obtained more easily for the construction of infra-structure than for any other purpose

4. Moreover, it was easier to make decisions with regard to the selection and expenditure pattern of this type of project, than of any other project.

In view of the above considerations, investment in infra-structure deserved more attention, which the two Plans did not give to it. But both the Plans did not assign equal importance to the transport and communication sector. As years passed by, the relative importance of this sector vis-a-vis other sectors, declined to the level that finally with the inception of the Third Plan, agriculture replaced it as the priority sector.

During the First and Second Plans, the following main roads were constructed and paved

Roads	Length (Km)
Torghundi-Herat-Kandahar	679
Kandahar-Kabul	483
Kandahar-Spinboldak	111
Kabul-Shairkhan-Bunder	399
Kabul-Jabul Seraj	77
Jabul-Seraj-Doushi (through Hindu Kush)	108
Doushi-Shairkhan Bunder	214
Kabul-Torkham	224

Besides these roads, a number of modern airports in Kabul, Kandahar, and Bagram and several smaller airports elsewhere in the country, all totalling to 14, were built. As a result, the number of flights increased and in addition to Aryana Afghan Airlines Co., a second company, the Bakhtar Airlines, came into existence. Consequently, the country's main centers were linked. At the same time, the telephone facilities increased considerably bringing these centres still closer.

In the industrial sector, output, especially of power, increased significantly. Such important power units as the Naghlo hydro-electric station (with 67.5 thousand kwh capacity), the Mahi-par station (44000 kwh), the

Darunta station (11,000 kwh), and the Puli-Khumri station (900 kwh) were constructed. Increasing activities in the mining sector resulted in the discovery of new sources of natural gas whose stock is estimated at 68 billion cubic meters. Search for gold, lead, nickle, copper and coal has also given encouraging results.

Progress has also been made in the area of industrial production. A number of new industries for the production of cement, textiles, vegetable oil, soap, leather, shoes, etc. were established and expanded. A factory for the production of chemical fertilizers is under construction at present.

Because a large portion of Government's financial resources was devoted to the building up of infra-structure, light industries did not receive sufficient consideration. It was hoped that the private sector would compensate this deficiency by increased investment. During the First Plan total private investment amounted to 200 million afghanis which was subsequently raised to 400 million afghanis during the Second Plan. With the objective of encouraging private investment still further, new measures were taken as a result of which the volume of private capital rose to one billion afghanis. The existing infra-structure, coupled with measures such as import restrictions, increased government investment and better utilization of public capital, would be sufficient to promote the growth of light industries and private investment.

It should be noted that greater emphasis by the first two Plans on industry and transport-communications sectors did not necessarily imply neglect of agricultural sector. The Plans provided for the construction of large irrigation projects, such as the Jalalabad canal and the Sardeh Dam and for the development of the Helmand and Arghandab Valleys. Furthermore, with the willing cooperation of the people, several smaller irrigation projects were constructed and attempts were made to improve the quality of soils and seeds to modernize the methods of production and to treat and protect animals and plants against pests and diseases.

Generally, due to lack of reliable statistical data, it is difficult to find investment opportunities, with sure and handsome returns, in agriculture. No wonder then why this sector receives a smaller share of the plan expenditure, compared to other sectors. At the same time, most of the expenditure in this sector is on research, data collection and training, which do not give immediate returns.

The education sector also showed progress in many respects largely due to better appreciation for literacy on the part of the people. In the last ten years, the number of students increased from 126,000 in 1335 to 456,000 in 1345. Unfortunately, the growing number of students, coupled with the inadequacy of financial resources, does not always allow the standard of education to rise. The Government, under the circumstances, is faced with the hard choice between quality and quantity in this field. With increasing number of people aspiring for education every year, the standard is bound to suffer.

Achievements in other fields, such as public health, rural development, technical institutions, etc. in the last ten years have been conspicuous. Detailed reports on activities in these fields have been made in various annual progress reports.

An Appraisal of the 1346 Economic Situation

I. Introduction

Evaluation of marco-economic performance can be prepared along two basically distinct avenues. One is the longrun trend examination of total output (or output per capita) using aggregates such as national income data and their components. This we refer to as "economic growth". The other is review of the organisation of economic resources or inputs in production and distribution. In this case, the orientation is towards the causal explanations of economic growth, focusing on structural changes and analysis of productivity. This we call "development growth".

Each has an appropriate role and one ought not to be discarded at the expense of the other. Within the limitations of available data we shall seek to measure output and then, to relate the factor inputs to aid in the interpretation of total output changes.

II. Aggregate production 1346

Some data for national income exist for certain sectors of the economy. Consequently we are able to prepare only a partial analysis of aggregate output in 1346. For expenditure on output we shall include the sectors of agriculture, mines and industry, electric power, gas, cottage and handicraft industries, Government, foreign trade, foreign aid and private construction.

Available data from the agricultural sector indicate a 6% gain in grain production volume over 1345 with virtually all of the gain occurring in wheat, which had experienced low yield the preceeding year. At the same time, cash crops fell back about 4% but fruits and vegetables rose by an equal rate. Although we lack sufficient price data by which to weight individual commodities, a simple estimation would provide a clue as to the direction and magnitude of change. Using this technique, data from the agricultural chapter point to a 4-5% growth in the total volume of output.

In factory and mine production as depicted in table 2 of the Mines and Industry Chapter, positive growth rates are about equal in number to the negative ones for the year 1346. Data elsewhere point to a positive growth in electricity production and the appearance, for the first time, of natural gas production. The higher negative rates of change occurred in the more important industries such as cement, cotton, wool cloth and salt. The key coal industry fell back also, but only by 6.6%. The major positive change was in the crucial flour industry with a gain of 22% over 1345; while similar gains took place in the activities of leather shoes and sugar.

As in the case of agriculture, we lack adequate weights for the individual products of mines and industrial interprises. Nonetheless based on data in the Mines and Industry Chapter and some very rough calculations as to the importance and weight of each product in the industrial structure (using 1345 base weights), those industries which grew gained 3.5% in volume of production over 1345, while those which lost ground declined about 4.5%. Therefore, it is likely that total mines and factory output fell by 1% in 1346.

Cottage and handicraft industries output expanded by 5% last year. However, this figure is, at best, an educated guess; absence of sufficient data precludes a closer examination.

Public sector operations in real terms fell by 11% last year with development expenditures losing by 16% and ordinary expenditures expanded by 8.2%.

The balance of commercial foreign trade shows no change over 1345. The net inflow of foreign aid, measured in US dollars, was down 5% last year from 1345. Private construction was down about 2% in 1346. This estimate is based on observations and loan activities of the Mortgage and Constructions Bank, which in 1346 were down from 11.8 million afs to 3.4 million afs.

We can now summarize our estimates in Table 1, below.

Table 1: Estimated Economic Growth 1346

Sector	Change in Volume	Weight based on 1345 GNP	Weighted Change 1346
Agriculture	4.0	47.0	1.9
Manufacturing, Electric Power, Mines and Industries	—1.0	2.5	—.02
Cottage and Handicraft Industries	2.0	7.4	.15
Government	—11.0	7.9	—.87
Foreign trade	—	—	—
Foreign aid	—5.6	6.8	—.38
Private construction	--2.0	1.6	—.03
Other	3.0	26.8	.80
Total			1.5

Data on "other", the last entry in the table, is arrived at by assuming there has been some growth in trade, hotels and restaurants and personal services, say about 5%, a smaller growth in transport and communications and perhaps a decline in housing and private investment on the order of 3-4%. Based on these tenuous assumptions the real growth of the economy of 1346 is estimated around 1.5%. Now let us examine the organisation of economic resources or inputs which allowed this rate of growth.

III. Organization of Economic Resources

The concentration on infra-structural investment during the Second Plan and the need to continue such efforts in 1346 resulted in improving some aspects of the economic organisation in Afghanistan. The augumented highway and airport networks are opening whole new means of communications. However, although such investment efforts take but a few years to complete, they affect the economy at a much slower pace. This is due to the necessity that before the infra-structural efforts can exert influence then must occur a fundamental change in attitude towards the concept of development, and ordinarily this change comes about slowly. The expanded communications network permits access to new and different ideas exchanged amongst people and sections of the country long isolated from one another. Yet, although the "network permits access to new and different ideas" it cannot implant nor ensure the utilization of these better ways. This must wait for a change in attitude.

In the case of agriculture, the impact of infra-structure may be felt sooner, but this depends upon the degree of conservatism amongst the farmers. Irrigation schemes, particularly the smaller ones, and flood control can reduce almost immediately the farmer's dependence upon the vagaries of nature. But such modern systems are not yet complete in Afghanistan, nor as widespread as is necessary. Until these improved systems including better seeds and chemical fertilizers become entrenched and widespread in the way of life amongst the majority of Afghanistan's farmers, a persistent systematic high level of growth will not be attained in the agricultural sector.

Improvement in the financial structure of the nation is occurring but again, due to the inexorably slow way by which people change their attitudes, progress is slow. This kind of progress occurred in what we call today the industrial nations during their early phases of development. Likewise in other developing nations at present the entrenchment of modern methods comes only after widespread acceptance and use.

For many years there persisted the philosophy in the developing world that the simple installation of power plants, new highways and expanded educational system would lead automatically to rapid economic growth. Now it is realized that development does not proceed in this manner and that for national aspirations to be achieved a change in attitude must accompany. This change in attitude revolves around a willingness to accept and use modern production, marketing and financial techniques; and that this must be translated into persistent and continued hard work. Only after this definition of development growth is fulfilled will Afghanistan find itself on the threshold of economic take-off. The establishment of the basic pre-conditions—a change of attitude and persistent, year after year, high level investment—will provide the principal mechanism for acelerated growth.

Public Finance

I. Impact of Government Operations on Development Efforts

There exists a rough positive correlation between government expenditures as a proportion of national income and the level of income per capita. At P/C income less than $100 per year the proportion runs from 6 or 7% to about 15%. At P/C income up to $700 in Latin America, the government's share runs above 15%. In Western Europe and USA the figure varies between 20% and 30%. Furthermore, the investment role thrust upon the governments in developing nations is a major one. In most cases, the foremost considerations have been given to roads, railways, harbors, power generation and distribution, communications and irrigation. In many developing countries, the capital requirements for such capital or overhead facilities will account for about 50% of government investment.

In the light of these principles we intend to examine the actual development role of government in 1345 and 1346, within the capacity of our per capita income (less than $100 per year). We shall seek to relate government operation to the growth of output, to focus on the project mix of government development efforts and ask is this the most bentficial one for Afghanistan now? In other words, is government investment being channelled to meet the country's most pressing needs?

Development Expenditures 1345 and 1346

Total government investment and ordinary expenditures as a proportion of 1345 GNP reached about 8.6% while in 1346 was 7.6%. These data should be viewed as orders of magnitude as we lack sufficient information on national product. The government ratio is at the lower range for the below $100 group, while p/c income is about mid-point, moreover, Government domestic investment only as a proportion of GNP in 1345 was 3.1%. If we add foreign aid the proportion jumps to 6.8%, still a relatively low ratio.

These data suggest that Afghanistan's current investment effort is below average for its income group. Meanwhile, the rate of growth of real output 1345-46 was about 1.5%. In 1966 the rate of growth in real GNP in Germany was 2.7%, Italy 5.6%, and the USA 5.4%, while in Ethiopia, a country with a p/c income below $100, the growth rate was 4.4%. Clearly then, the government investment effort in terms of these marco-relationships is not yielding the return which we would expect.

The reasons for this irregular behavior lie partly in the project mix of investments themselves and partly in the nature of financial resources available.

Table 1 below, indicates development expenditures by economic categories and sectors for 1345 and 1346.

Table 1: Development Expenditures by Economic Class 1345—1346

Economic Class	1345 Expenditure (000 Afs)	1345 Distribution	1346 Expenditure (000 Afs)	1346 Distribution
Grand Total	**1,688,284**(2)	**100.0**(1)	**1,556,317**(2)	**100.0**(1)
Infra-Structure	1.411.314	83.5	1041457	66.7
Electric power	312875	18.5	162357	10.4
Transport and communication	378334	22.4	331732	21.3
Social services	682364	40.4	390573	25.0
Education	495309	29.3	204463	13.1
Health	33889	2.0	18736	1.2
Municipality	13242	0.8	8546	0.5
Rural Development	45508	2.7	96354	6.2
Information and Culture	9828	0.6	2185	0.1
Housing	79588	4.7	48000	3.1
Government Buildings	5000	0.3	12289	0.8
Irrigation	13759	0.8	69123	4.4
Land settlement and development	12439	0.7	42048	2.7
Others	11593	0.7	45624	2.9
Productive Sectors	**159,880**	**9.4**	**390,503**	**25.1**
Industry	64738	3.8	3992	0.3
Agriculture	71500	4.2	319816	20.5
Mining	23642	1.4	66695	4.3
Studies and Investigations	**117040**	**6.9**	**124357**	**8.0**
Agriculture	52551	3.1	26745	1.7
Mining	49414	2.9	89794	5.8
Water	14189	0.8	7818	0.5
Transport	886	0.1	—	—

(1) Detail may not add to total due to sounding.

(2) These data were extracted from detailed reports which were not in all instances complete. The grand total is slightly below the official total shown elsewhere in this report.

Source: Statistics Department, Ministry of Planning based on agency reports of actual expenditures.

The project mix demonstrates a preponderance of infra-structure investment (1) or far more than the average of 50% cited above for developing countries. In 1346, however, the proportion fell to two-third from the four-fifths level of 1345. Furthermore, the investment devoted to developing Afghanistan's human resources consumed almost half the total of infra-structure investment in 1345. In 1346 there was a sharp reduction owing to the completion of certain educational construction and equipping projects, but nevertheless, fully one-eighth of infra-structure investment was devoted to education.

Intrastructural investment, although it usually involves heavy immediate capital expenditures which with its multiplier effect does add to output valuations, does not immediately expand the capacity of the productive sectors. These investments represent the foundation and institutional laying on which all productive sectors must stand, and which all productive sectors need. The philosophy underlying this policy states that to expand agricultural output and not improve and expand transportation networks and marketing mechanisms is to thwart the efforts in these productive sectors. To foster tht settlement and development of virgin territory without adequate electric power facilities is also to thwart such efforts.

Therefore, we may expect that Afghanistan's investment will not lead, over the near term, to a rapid growth of output. The need is urgent for improved highways, and secondary roads, communications and electric power; some of these needs have been met, particularly with respect to highways and electric power. Yet with highways some of the main routes now completed require feeder roads, improved maintenance and greater emphasis will need to be placed on those areas. The sector of telecommunications, has fallen behind targets, while substantial progress has been achieved in irrigation systems. Likewise, much remains to be done particularly with respect to secondary and tertiary canals which will bring water to the farms along with technical assistance on water use and management to avoid salinity-problems later on.

In the social services sector, education of course has taken the lion's share of government investment, as mentioned above. Within education, primary level has been the priority area; the need to improve the literacy rate (currently only 32.4% in Kabul,) og the population prompted the high priority assigned to primary schooling. The expansion of physical plant at Kabul University and the Polytechnic represent significant advances at the higher education level.

---

(1) We have used as our working definition of infra-structure those activities which support or act as overhead for the commonly held productive sectors, agriculture, industry, mining and other material resources exploitations. In other words, they are those activaties which are not directly productive in themselves but rather enable the productive sectors to add to their own capacity. Examples are electric power projects, airports and highways. Another way of looking at infra-structure is that such activities are not involved directly with the production process, but provide the basis for continued operational expansion.

In the direct productive sectors, there was almost a three-fold gain in the proportion of total development effort. The gain here heralds the shift in the Third Plan to concentrate on production as opposed to infra-structure projects. The primary emphasis in agriculture is on the wheat program, Nangarhar Valley Irrigation, Food Development Project and Helmand Valley, while in mining it is coal mining and petroleum.

These projects add directly and almost immediately to the productive capacity of the nation. To date, however, their impact has been marginal in terms of expanding output and capacity, enlarged employment opportunities and increased wages. More time must be allowed for their impact to be felt. On the other hand, the infra-structure projects because of their construction nature usually employe large numbers of laborers and some technicians. By their nature then, they yield employment increases, thus adding to personal income, but only on a short-term basis.

Consequently the immediate effect of the infra-structure project is stronger, but within a short time the productive sector projects tend to add and continue to add to the productive capacity of the country with a resultant higher incidence of longer-term employment and thus sustained personal income gains.

II Budgetary Situation 1345 and 1346

Since 1341, the first year of the Second Five Year Plan there have been substantial budget deficits, with the exception of 1344. At the same time money supply has grown at unprecedented rates, at least during the period 1340-43. In view of these and other factors principally changes in harvest volumes, as well as changes in the volume of imports and exports, domestic prices have risen at the highest rates in recent years. (See Table 2). It is estimated that real GNP (1345 prices) grew at an average annual rate of 2.0% during the Second Plan period (1341-45), and that real government operations (ordinary and development) fell at an average annual rate of 0.5%; as a result public sector as a share of GNP, fell from 9.6% in 1341 to 8.6% in 1345. During this period total real output gain was 5.5 billion Afs, while the sum of the budget deficit reached 4.65 billion Afs. in real terms or the sizeable proportion of 78% of real GNP growth. Clearly, government operations have played a foremost role in output changes—although not always a postive one.

The nature of budget deficits can be explained briefly as follows: To the extent that government deficits increase demand faster than the economy is capable of producing, such policy leads to inflationary gap and an erosion of apparent gains. However, such was not the case in 1345.

Table 2: Government Deficit and Economic Indicators

1345—1346

Year	Budget surplus or deficit	Average rate of change in Money Supply	Rate of Change Imports (1345 prices	Annual Rate of Change GNP (1345 prices)
	(billion Afs)	(%)	(%)	(%)
1340	—0.8	23.0	—	
1341	—1.0	23.0	32.1	
1342	—0.56	22.7	15.4	
1343	—0.7	18.9	19.2	2.0 (41-45)
1344	0.1	1.7	—4.3	
1345	—0.42	—1.4	18.0	
1345	—0.45	1.4	—2.3	1.5

Source: Statistics Department. Ministry of Planning.

for example, when the national price level rose by 24% over 1344 while the government deficit attained only 0.1 billion Afs. (the lowest deficit year in recent history) and money supply actually declined 1.7%.. The fundamental cause was a severely reduced output in grains which forced up prices rapidly rather than rising demand: and with only a small deficit there was little or no need to create money.

Table 3: Growth of Real Gross National Output and Components

GNP and Components	Annual Average Rate of Change 1341/45	Annual Average Rate of Change 1345/46
	(%)	(%)
GNP	2.0	1.5
Exports	5.0	—11.0
Imports	7.6	—16.0
Government Expenditures	—0.5	—11.0
Development	—10.0	—16.0
Ordinary	6.4	8.2
Agriculture	0.3	3.8

Source: Statistics Department. Ministry of Planning, from own basic data and Da Afghanistan Bank.

Against this brief historical backdrop let us examine the budgetary tuation in 1346 and, in conjunction with other relevant factors, what was overnment's impact on the economy.

Table 4: Government Budget Receipts and Expenditures

1345 and 1346

(Million Afs).

Item	1345	1346 (Estimated)
udget Receipts		
Ordinary	4,284.6	4,247.3
Direct	602.8	548.0
Indirect	2,645.0	2,513.7
Other	1,036.8	1,185.6
entral Banks Borrowing .	424.7	446.0
oreign Aid Commodities	889.1	705.3
oreign aid Projects	3,412.6	2,808.6
Budget Expenditures		
Total	5,131.0	5,280.0
Development	1,727.8	1,680.0
Ordinary	2,928.8	2,800.0
Foreign Debt Service) . Domestic Debt Services)	474.4	500.0
Subsidies	—	300.0

Source: Department of Statistics, Ministry of Planning based on data submitted by Ministry of Finance.

The budget deficit for 1346 is estimated at about 450-500 million Afs. This is the highest deficit since 1343. At the same time domestic prices have risen by 23% (accounted for principally by the gain in cereal prices) or about equal to last year's price rise, while money supply has grown by a moderate 1.4%, less than sufficient to keep up with the general trend of the monetization of the economy. The immediate major causes for this deficit are the maintenance of a relatively high level of development expenditures which began in 1342, the rapid increase in ordinary expenditures, 12.3% per year since 1341 and 6% in 1346, such that total expenditures grew 11.7% and 3% respectively, and the failure of revenue growth to keep pace with expenditure expansion (revenue actually declined 0.1% in 1346). Thus the higher deficit level arises both from expenditure pressures (chiefly from the ordinary as opposed to the development side and revenue reduction.

In 1346 Agricultural production recovered from the depressed year of 1345 but not sufficiently to meet the backlog of demand held over from a year earlier plus the increased effective demand of this year. It is not so much the level of the deficit that counts as much as the change in that level and the method of financing. Nevertheless, despite this infusion of demand GNP in real terms probably has not risen more than 1.5% over 1345 Real government expenditure as a proportion of real GNP, reached 7.6% in 1346, a decline compared to 1345 and the real deficit itself as a proportion of GNP gain in 1346, was 43%, or lower than the average for the Second Plan period.

The manner in which the budget deficit was financed and the nature of expenditures bear on this situation of a higher deficit but lowered GNP growth.

When a government finances its deficit through borrowing from the central bank or foreign borrowing, government purchasing power increases yet there is no corresponding reduction of purchasing power in the private sector. Thus demand rises rapidly and is fueled by the increase in the supply of money. Even if the entire deficit were spent on directly productive development projects, such projects do not come on stream at the same time as the deficit is financed. Thus, the price for progress is some amount of inflation, unless resources are idle. On the other hand, if incomes are taxed away, either directly or indirectly, purchasing power in the private sector falls while a corresponding increase is recorded in the government accounts. Under these circumstances, effective demand is increased only by public expenditures, and assuming all other factors as constant (i.e., a poor harvest would drive prices up regardless of the dethod of financial, the price level would remain relatively stable.

In 1346, as in 1345, the deficit was financed out of Central Bank and foreign borrowing—meaning an increase in government purchasing power without a corresponding decline in private purchasing power. These conditions suggest a clear need, if the nation is to continue its development progress with a miinmum of price rises, to expand domestic sources of revenue whereby there would be an offsetting decline in private purchasing power to the increased real revenues of government.

The pattern with respect to expenditures is summarized in the Table 5 below.

While total expenditures have grown by 11.7% per year during the Second Plan, at the same time GNP (current prices) was growing by 13.2% pension grew by 55% and equipment by 43% and personnel and other services by 30%. In the first year of the Third Plan the situation was much the same. Staff services (salaries paid to government employees) have dropped slightly. The growth in debt services shown arises from the termination of the moratorium on some debt repayment while the one-third jump in Transport equipment arose from the need to satisfy the expanded new requirements and replacement needs of the Public Transport sector.

Table 5: Pattern of Government Ordinary and Development Expenditures,

	Distribution			Annual Average Rate of Change	
CODE & TITLE	1341	1345	1346	1341-45	1345-46
100 Personal Services	15.6	27.3	27.9	29	— 1.2
200 Other Services	3.1	5.6	5.0	30	—14.1
300 Equipment and other expenditures	6.6	17.9	16.3	43	—12.0
400 Transport Equipment	13.3	2.0	2.7	—22.0	31.5
500 Ownership property	22.5	8.0	8.4	—21.0	1.3
600 Aid pension	1.9	7.2	4.4	55	—41.3
700 Debt services	7.9	10.5	13.6	20	26.1
800 Contributions to Indigent Employees	1.2	0.1	0.3	—40.0	204.0
Others	18.0	21.4	21.4	16.7	— 3.3
Total	100.0	100.0	160.0	12	2.9

Source: Based on Data of Ministry of Finance

Such behavior in government expenditures is a natural consequence of the decision to engage in development efforts. More than likely the Second Plan trends will resume in the future (assuming a healthy growth in public revenues) until the time when the infra-structural and institutional build-up of Afghanistan will provide the leverage for productive sector to expand and utilize these new foundations as well as stable and improved government services.

III. Financial Resources

Total actual domestic revenues grew at an annual rate of 12.3% during the Second Plan period (with 1342 and 1344 showing the greatest gains (in real terms the rate is 7.1%). The 1345-46 picture shows a decline of 0.1% in actual data and 14% in real terms. The immediate explanations for these developments can be found in an examination of the components of revenue. For example, import duties have fallen as a proportion of the total owing to its lower than total rate of growth (13.2% in 1341-45 and —6.7% in 1345-46) while tax on commercial transactions has gained owing to its higher rate of growth. The land tax grew by 17.8% in 1341-45 but then fell off 4% in 1346 while livestock taxes have disappeared; consequently both account for considerably less of the total. Thus indirect taxes have gained as proportion of the total due to the substantial gains in tax on commercial transactions. The latter, however, is largely an internal banking transaction of the Da Afghanistan Bank based mainly on the accounting transfer of exchange profits.

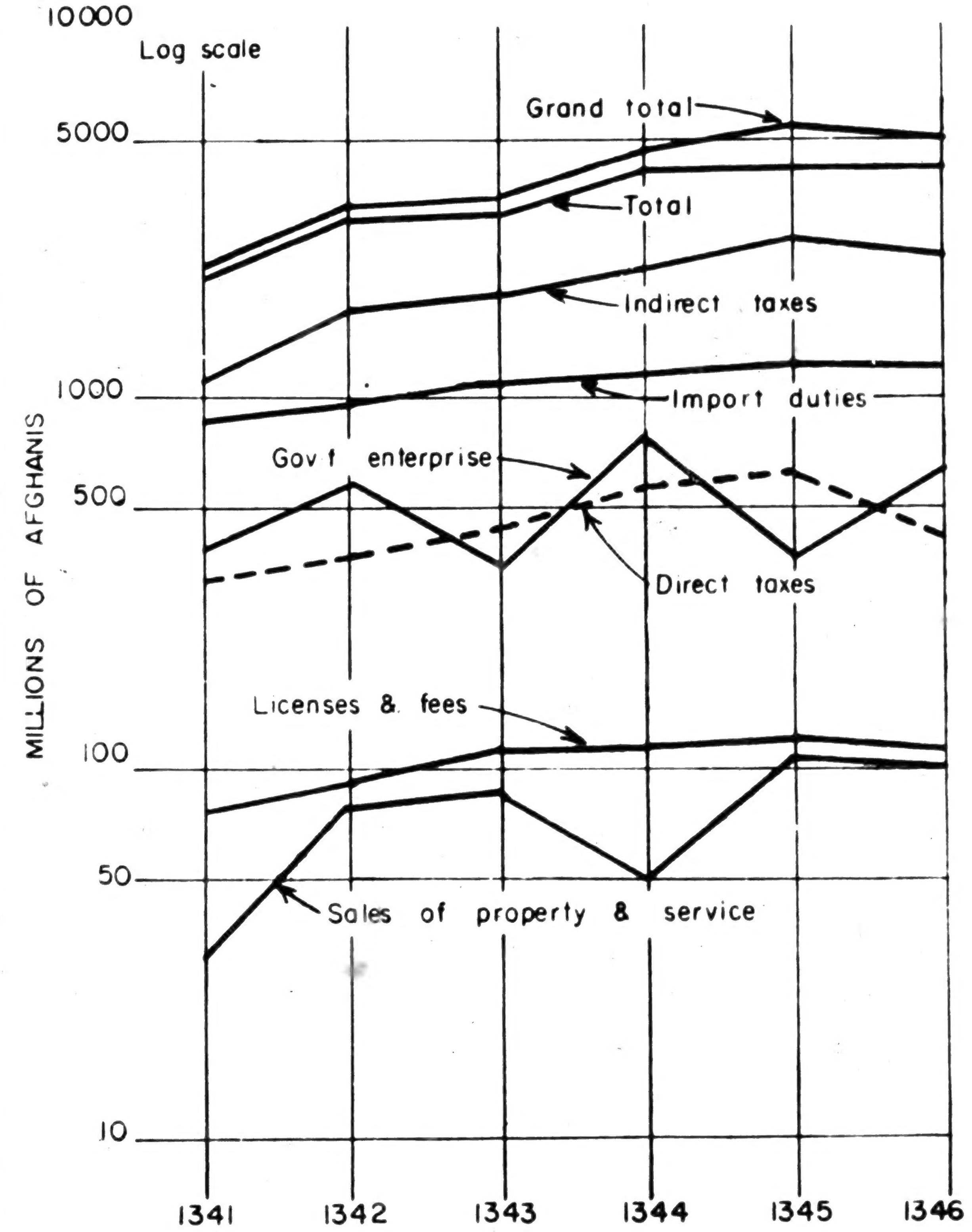
Although output grew the rapid rise in domestic prices for basic foods (grains, meat) left little discretionary income for imports while the deterioration in the exchange rate reduced even further the purchasing power for imports. On the other hand merchandise exports, the chief earner of foreign exchange, have grown by 2%. However, the gain is explained entirely by the advent of natural gas export while traditional exports fell by about $2 million effecting a decline in exports duties.

Table 6: Domsetic Revenue By Source And Rates Of Change

Source	Proportion of Total			Annual Average Rate of Change	
	1341	1345	1346	1341-45	1345-46
Total (1)	100.0	100.0	100.0	18.3	— 1.2
Direct Taxes	14.7	14.1	12.9	17.0	—30.8
Individual Income	5.2	9.2	7.5	36.0	—52.1
Company Income	3.5	2.9	3.4	12.3	—17.0
Land	2.1	2.1	2.0	17.9	— 3.7
Livestock	3.8	0.1	0.02	Nil	—81.0
Indirect Taxes	51.7	62.4	59.2	27.0	— 7.6
Import Duties	40.5	34.3	31.9	13.2	-- 6.8
Export Duties	3.4	3.9	3.7	22.0	— 4.9
Tax on Commercial transactions	4.0	22.0	20.8	60.0	—11.5
Others (2)	3.7	2.2	2.7	3.9	—29.0
Income-Sales of property and Services	5.3	6.5	4.8	25.0	—26.2
Lincense Frees and Fines	3.5	3.1	3.0	14.7	— 4.5
Use of Property and Money	1.4	2.9	2.6	43.0	—11.1
Investments	0.3	2.2	1.3	95.0	—43.0
Income from Govt. Enterprises	17.8	8.9	14.8	—0.5	62.0
Monopoly	16.8	7.6	14.4	—3.3	84.8
Other (3)	5.6	2.1	2.7	0.3	— 8.0
ADDENDUM: Commodity Assistance and other (000 Afs)	51,350	889,100	705,300		

(1) Excludes commodity assistance.
(2) Include 2 and 4% tax on import, formed in 1346.
(3) Codes 700 and 800.
Sources: Statistics Department, Ministry of Planning, based on data of Ministry of Finance.

CHART I - DOMESTIC REVENUE



Government policy on the livestock tax is, of course, the reason the disappearance of revenue from this source. Until a final decision reached the situation will remain as at present. Change in some of the se major revenue areas can be tied as well to the economic and politi- conditions. For example, in 1345 income from monopoly activities fell by almost half. Despite the depressed economic conditions, monopoly es in 1346 regained almost the entire loss of 1345 owing to the ing of the crediting of monopoly accounts. This is a situation identical that in commercial transactions and bears little relation to economic ds.

Individual income taxes have dropped off by over half, but the gain a result of an arbitrary accounting procedure reflecting in part the ard 4% tax on imports and exports. These receipts are shown in the direct tax sector. If, however, we unify these two with individual in- me tax (for analytical purposes this seems correct as their impact is tax some of the revenue of (traders) a loss of only 9 persists com- ed to 1345.

Money And Banking

1. Money Supply 1341-1346

During the Second Five Year Plan money supply grew at 10% per year with the major impetus coming from the gain in banknotes and coins in circulation (see table 1 below). The rate of growth in private demand deposits [illegible] per year (Government demand deposits are assum- [illegible] banknotes and coins variable as the Da Afghan- [illegible] demand deposits of the [illegible] deposits of non-bank financial intermedia- [illegible] other components of this variable) has [illegible] First Five Year Plan (4.3% per year) [illegible] of the economy has been taking place at an expanded pace. Apparently confidence in the banking sector has gained.

Table 1: Money Supply, Volume and Rates of Change

Item	Volume (Millions Afghani)			Average Annual Rate of Change	
	1341	1345	1346	1341-45	1345-4
				(%)	(%)
Total	3,747.0	5,476.5	5,554.6	10.0	1.4
Banknotes and coins in circulation (incuding govt. notes)	3,134.2	4,717.8	4,800.9	10.8	1.7
Private Demand Deposits	612.8	758.7	753.7	5.5	—0.7
Private sector	586.5	626.1	585.5	1.6	—6.5
Non-Bank financial institutions	26.3	132.6	168.2	50.0	26.8

Sources: Da Afghanistan Bank and Statistics Department of th
Ministry of Planning.

The total output of the economy at current prices grew at abo [illegible] per year during the Second Plan while during the First Plan th annual gain was only 4%. It appears, therefore, that the income vel city of money has increased so that the same Afghani is doing mo work. In this aspect of development the Second Plan has also contribute somewhat more than the First Plan. It should be recognized that mon tization, as a form of modernization and the widening of the depos banking system in Afghanistan facilitates modern commercialisation the production process.

Although the gain is impressive, there remain some disquieting signs of the lack of total acceptance of the banking system as reflected in the much larger growth of the banknotes in circulation and the disappointing growth of the private demand deposits. Moreover the first year of the Third Plan exhibited deterioration once again: although there was a moderate gain in the total money supply (1.4% per year) private demand deposits fell by 0.7% and banknotes and coins increased supply figures themselves, the reduction in private demand deposits is by 17%. Although 1346 was a year of stagnation reflected in the money particularly disturbing. Furthermore the private sector demand deposits fell by alarming 6.5% indicating a serious deterioration in confidence and depressed economic conditions.

One bright and encouraging development has been the rapid growth of non-bank financial institutions deposits in commercial banks. This sector now accounts for 22% of the total private demand deposits while in 1341 its proportion was a mere 4.2%. This suggests a substantially improved flow of credit to and from these institutions and a healthy build up of their capital. As well known, one of the major deficiences in the developing countries is the shortage of credit institutions with ample supplies of funds to provide adequate production credit. Meagre as our basic data may be, we can still generalize that monetization during the Second Plan was more rapid than during the First Plan. The absence of continued improvement in 1346 is explained apparently by the special conditions which gave rise to a slow-down in economic activity (See other Chapters in this Survey for details). It is expected that 1347 will witness a return to the growth rates typified during 1341-45.

Rapid monetization is not itself a panacea and is really one form of infra-structure and institutional improvement. Too rapid a monetization without a corresponding expansion of the domestic production capacity will lead only to a serious inflationary condition. While maintaining the momentum of monetization in the remaining years of the Third Plan, production must expand to keep pace.

II. Counterparts of Money Supply

Money supply represents liabilities of the banking system. These liabilities are related to the creation of assets: indeed because assets must always match liabilities, a close functional relationship exists between them. We can, therefore, examine changes in banking sector assets which influence changes in the money supply. Table 2, below, sets out the major asset characteristics.

The salient feature of the table is the upsurge by about one-half in the credit granted to the Government sector between the Second Plan period and first year of the Third Plan. The basic reason for this extraordinary growth last year arose from the combination of a decline in domestic revenues and continued expansion of expenditures. After two years of no short-term loans the Government was forced to borrow over half a million Afghanis and to expand its long term loans balance by asset characteristics

Table 2: Counterparts of Money Supply

Annual Average Rate of Change

Item	1341-45	1345-46
	(%)	(%)
Money Supply	10.0	1.4
Credit to Govt. sector	21.0	30.7
Credit to private sector	6.6	—14.2
Time deposits (increase)	—31	—0.3
Net Foreign Exchange assets	—29.8	4.9

Source: Statistics Department, Ministry of Planning based on data of Da Afghanistan Bank.

Changes in volume of credit to the private sector have switched signs between the two periods: from a healthy 6.6% growth per year during the Second Plan period to a huge minus 14.2% in 1346. A simple rule of thumb or axiom in economic analysis is that when business is good, entrepreneurs seek to expand their working capital to build up inventories, expand physical plants or add employees or some combination thereof. One source for additional working capital is bank credit. Obviously business was not good in 1346 for there was a sharp setback in outstanding loan balances of the private sector thereby reducing the assets of the banking system. The lowered volume of credit to the private sector can be accounted for entirely by the reduction, by almost half compared to 1345 of the credit extended by the Da Afghanistan Bank. Such a violent change in the level of operations within one year is explained not only by the depressed economic conditions but by efforts of the Bank to reduce the flow of funds to the private sector. This was dictated by the urgency to satisfy the Government's need for money and the apparent desire to hold down the growth in the supply of money given the magnitude of increases in prices at the time.

III. Government Sector and the Banking System

The discussions in the two previous sections touched on some aspects of the relations between the Government and the banking system. In this section we examine in greater detail, but only to the extent of the availability of data, the relations between the two sectors. First, it ought to be recalled that in Afghanistan, the Da Afghanistan Bank acts as the Government's treasurer. Therefore, the transactions are minor between the Government and the private commercial banks. The ensueing discussion then must be viewed as describing and evaluating the relations between the Government and the Central Bank. As the latter possesses the power to issue notes as well as perform as a deposit bank and given the magnitude of the Government's operations, these relations are crucial for money supply and price changes. Table 3, below sets out the Government's and other official entities' position with the banking system.

During the period 1342-1345 (data for 1341 are not readily available) there was an annual average rate of decline of 3% in the government sector net position with the banking system. This reflected the minus 2% annual average change in government and government expenditures and the 1.2% annual growth in Government deposits. The state enterprise position witnesses huge annual rates of decline in every item: loans, advances in Afghanis and advances in foreign exchange. The net effect was an average annual rate of decline of 33% in the state enterprise total. The fall-off in government's position was not nearly as dramatic, being only —0.3% per year. This was, however, explained totally by the absence of short-term loans in 1345, the terminal year, and in 1341 this item attained 984.7 million Afghanis. Otherwise all elements grew including long-term loans, the major component (92% of total government position in 1345).

Movements within the 1342-45 period were not uniform through- net position held steady at the 3740-3750 million Afghanis range. operations with the banking system, both in terms of loans as well as in deposits, and 1344 held that level. In 1345 there was some awakening in certain components in both loan operations and deposits and the net position held steady at the 3740-3750 million Afghanis range.

The year of serious change, however, was 1346. This can be seen in the change of signs in the average annual growth rate column: in 1342-45 negatives predominated while in 1345-46 positive growth rates are in the majority suggesting that the government had to visit the withdrawal teller at the Bank quite frequently in 1346. The most significant changes occurred in the reappearance of short-term loans and the magnanimous growth in advances in Afghanis to state enterprises. Together these account for 708 million afs. out of a total gain in the government and government enterprise loans of 932 million Afghanis. A modest gain in deposits occured, but nevertheless the rate of growth in the net position in 1346 was whopping 30%.

On balance then, expansion in the credit position of the government sector in 1346 was offset by a reduction of the Central Bank's credit to private sector leading to a modest growth in money supply.

Under the current circumstances, namely economic stagnation, it appears that the most suitable monetary policy would be expansive. Money supply should be increased perhaps at an annual rate equal to that which prevailed during the Second Plan, or 10%. Unless domestic revenues can be increased soon and rapidly, it will be necessary for the Bank to grant large sums of credit to the government, perhaps as much as the 30% growth of 1346. If, on the other hand, government expenditures are cut in order to meet the tax deficit. In the event domestic revenues are not forthcoming the burden of fiscal expansion will rest solely on monetary policy. In its present stage of development Afghanistan cannot depend only on monetary policy to lift the nation from its economic lethargy. Fiscal policy ought to be adequately combined with monetary policy: the former to inject greater purchasing power and augment production capacity and the latter to supply a favourable investment climate and make available ample credit to the private sector encouraging entrepreneurs to modernize, become more efficient, thus giving the consumer more for his Afghani.

CHART I-MONEY SUPPLY

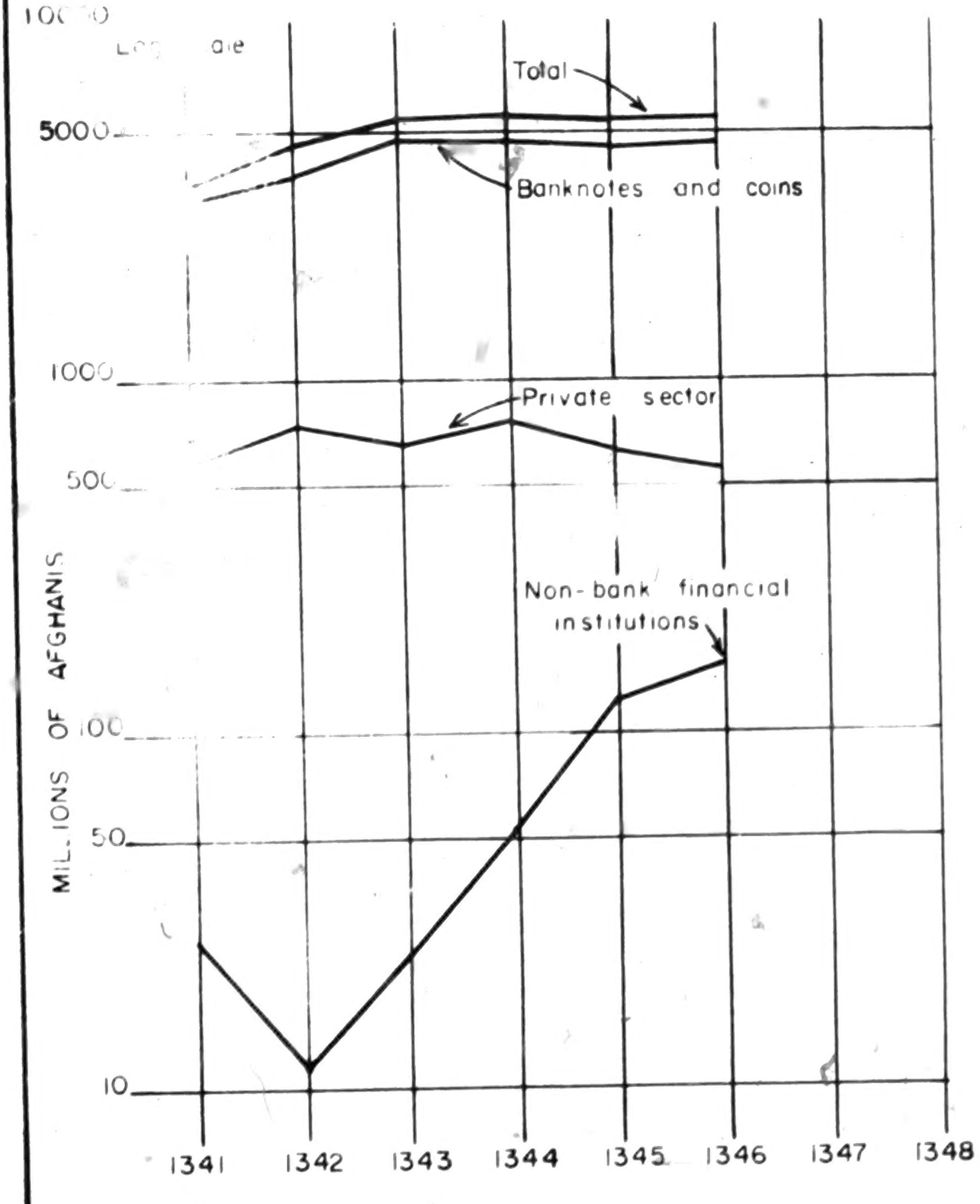


Table 3: Government and Other Official Entities Position with the Banking System

Government Position	Amount (Million Afs.)					Annual Average Rate of Change	
	1342	1343	1344	1345	1346	1342-45	1345-46
Government Position							
Long-term loans	3,613.8	3,795.9	4,400.4	4,469.4	4,872.3	7.4	9.0
Short-term loans	984.7	554.1	—	—	539.7	(41-46)	—16.0
Advances in Afs.	271.1	252.4	305.1	342.0	303.6	6.0	—11.2
Advances in foreign exchange	35.8	35.1	34.0	79.0	55.3	22.0	—30.0
Treasury coins	121.1	123.3	123.3	123.3	123.3	0.6	0
IMF accounts	187.5	187.5	187.5	187.5	187.5	—	—
Total	4,838.9	4,573.2	4,675.3	4,862.2	5,706.7	— 0.3	20.3
State Enterprises Position							
Loans	455.8	130.0	107.3	185.8	68.8	—25	—62
Advances in Afs.	4.3	4.6	0.5	0.5	168.8	—50	237
Advances in foreign exchange	17.7	10.7	9.4	9.4	9.4	—19	—
Total	477.8	145.3	117.2	195.7	247.0	—33	26
Total of Govt. and Govt. enterprise loans	5,316.7	4,718.5	4,792.5	5,021.9	5,953.7	— 2.0	18
Minus Govt. deposits in banking system (1)	1,666.7	1,255.5	1,220.0	1,729.4	1,651.1	1.2	— 4
Equals Net Govt. sector position with banking system	3,650.0	3,463.0	3,572.5	3,292.5			

(1) Includes counterpart funds, deposits in clearing account currencies and export taxes not yet credited in addition to time and demand deposits of Government and Government enterprises in Banks.

(2) Includes transfer of shares in electric utility of about 500 million Afs. from Da Afghanistan Bank to Government.

Source: Da Afghanistan Bank

Prices

I. Historical Trends

Excepting the year 1341 domestic prices have shown a steady upward trend for six years: the greatest sustained rise took place during the period 1341-1342 when prices rose 33%. This was followed by a relatively quiet period. 1342-1344 when the average annual rate of growth was 13.6%, but then in 1344-46 prices began to move much more rapidly attaining an annual rate of change of 24%. (The periods chosen are homogeneous ones in which a given pattern of change prevailed more or less consistently within the designated periods and that the patterns from one period to another were vastly different from one another. In other words, the variation in growth rates between the designated periods were greater than within the same designated period: hence the homogeneity within periods) These movements are depicted Chart I and Table 1. However, because the total index is a weighted average of its components an examination of their movements and underlying causes will illuminate the basic reasons for price changes and perhaps yield some hints for the next year.

Table 1: National Price Index. Annual Average Rates of Change (1340= 100)

	Based on Avg. Monthly Data			Based on Actua Monthly Data	
				Hamal	Hoot
	1341-42	1342-44	1344-46	1345-46	1345-46
	(%)	(%)	(%)	(%)	(%)
General Index	34.0	13.5	25.0	84.9	—14.3
Cereals	49.0	14.0	34.0	120.4	—15.0
Meat	12.0	25.0	10.0	10.5	—11.3
Fruits	37.0	10.2	5.1	4.1	— 5.8
Vegetables	23.0	6.3	5.2	— 7.3	—35.9
Other foodstuffs	1.0	14.8	5.2	2.9	— 1.0
Non-foods	3.0	2.4	5.2	3.8	— 5.7

Source: Statistics Department, Ministry of Planning.

First, it is to be noted that during 1344-46 cereal prices were the principal immediate cause for a new acceleration of the National Price Index. During this period their prices rose 34.0% per year. This is explained not only by the fact that cereals carry the largest single weight in the index but that collectively their prices rose at unprecented rates since 1342. Meats and vegetables rose but at markedly reduced rates while fruit prices were virtually unchanged. Non-food prices exhibited some growth. In the earlier periods likewise the pattern was dominated largely by the oscillation in cereal prices, although there were some parallel movements in meat prices.

The fundamental factors influencing those price changes can be summarized as (1) short-term changes in domestic production of some of the major commodities (imports cannot be affected that easily or rapidly should short falls occur), (2) the growth of effective demand, and (3) specific government policies.

Wheat production fell by 250 thousand tons in 1345 but recovered 150,000 of this loss in 1346. However, this short fall in 1345 was sufficient to cause prices to skyrocket (wheat is the major item in the nation's diet and small change in supply, especially in the commercial sector, have unduly high price response. It is anticipated that we will be closer to attaining the goal of self-sufficiency in wheat during the Third Plan period thus avoiding such shortfalls.

Corn and rice have maintained their levels or have risen slightly but the downtrend in wheat production in 1345 affected the other grains and their prices rose largely from some shift of demand out of necessity.

Information on changes in meat production is not available and although data on fruit and vegetable production are meager some analysis can be made. Price movements within each of these groups (fruit and vegetables) have been rather divergent. For example, in the most recent period the prices of grapes have acutally fallen 5.5% per year, while apricots have risen 23.0 per year. As grapes are basically an export crop, price and demand in major export markets influence production and price locally.

Fruit exports of Afghanistan constituted 11.3% of total exports in 1345. Should economic conditions change in Afghanistan's major fruit markets the impact is sure to be felt in the bazaar and the earnings of vineyards. Using grapes as an example, in 1344 with the closure of the India-Pakistan border, the route to India was closed which had its impact on grape exports to that country wherein they fell to Afs. 20 million, but exports to Pakistan more than dubled to Afs. 342 million. With the total up substantially and high prices in consuming markets, (over a 50% increase), domestic prices rose in 1344 by almost 20%.

Changes in effective demand affect all commodities but not to an equal degree. By effective demand is meant the quantity of a given commodity which consumers desire and for which they can pay. The incidence of impact depends upon the income elasticity and the income level and varies from one commodity group to another. In low income countries, the non-protein foods such as grains, fruits and vegetables, have a higher elasticity than the protein foods such as meat and dairy products. The elasticity concept is defined as the relative change in total expenditure in [illegible] commodity for each 1% increase in income. In Afghanistan for the majority of the population the elasticity is higher for the non-protein foods such that the relative change in their total expenditure will be greater than for protein foods. Hence, as income grows the pressure builds up for more cereals, fruits and vegetables.

No reliable measure exists of effective demand level in Afghanistan with the single exception of government salary and wage payments. These have grown by 19 per year during 1341-45. Add to this the possible corollary gains in private income and there are clear indications of a substantial rise in the effecting purchasing power of households. The elasticity concept is relentless in a free market society, it persists so long as effective purchasing power grows. If however, agricultural production gains have not been as equally persistent, as in Afghanistan, there must be price rises, and if agricultural output is allowed to continue to halt or gyrate, then price rises become built in. In Afghanistan the majority of consumers wish to spend a greater proportion of their income on non-protein foods such as grains, but if production is unable to keep up consistently year after year, prices rise and the consumers are forced to spend an even greater proportion (than they wish) of their income in order to satisfy their physical needs. The result is a reduction in total real income of consumers and a reduction of the proportion of income remaining to satisfy other wants.

II. Monthly Movements

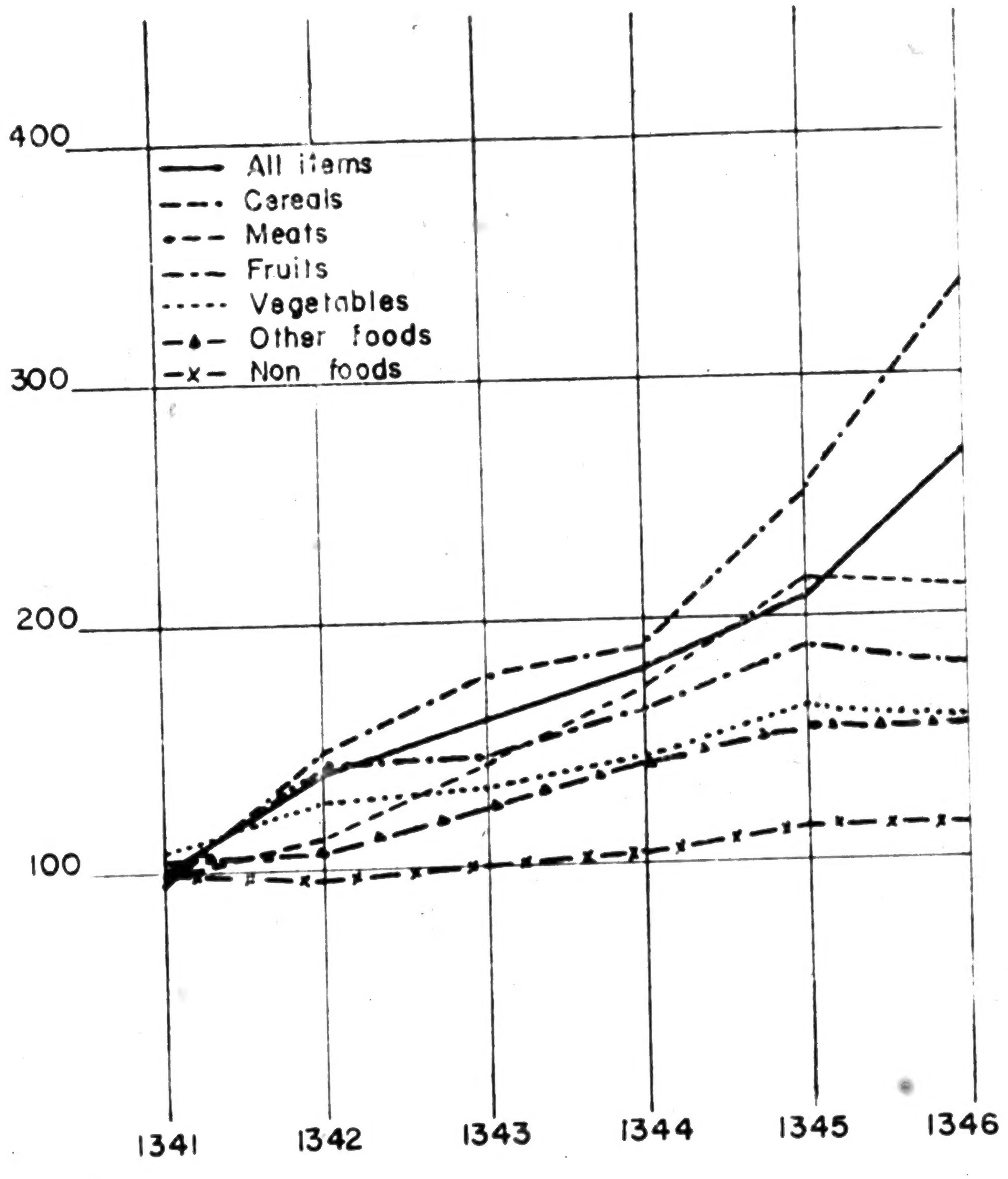
Prices at the beginning of 1345 were considerably higher than the average for the previous year; on the order of 20% higher (see Table 1). During the first seven months of that year the General Index fluctuated within a narrow range, or between 194-202. Beginning with the eighth month prices began a fairly consistent upward movement and by the end of the year the General Index was almost 100 points above the level of the seventh month. This rapid and consistent rise was due mainly to a sharp rise in cereal prices, particularly corn flour and to a lesser degree, wheat flour. Meats and vegetables began a serious upward trend but to a lesser degree, while fruits, other foodstuffs and non-foods made sideward movements.

Prices reached a peak in the first month of 1346 when the General Index topped off at 358.5 with cereals leading the way. Prices moved downward in earnest during the ensueing five-month period. By the middle of the year, the General Index had fallen by over 100 points with cereals droping 140 points. Meat prices fall by 66 index points and vegetables by 110 index points. For the remainder of the year prices fluctuated within a narrow range and by the last month of 1346 the index was about 3 points above the middle of the year.

Generalizing then, an upward surge began just after the middle of 1345 involving the basic commodities of grains, vegetables and meats and swept along at a very rapid pace. The trend peaked out at the beginning of 1346 and fell just about as rapidly as it had risen. It need not

CHART 1- NATIONAL PRICE INDEX

1340 = 100



be emphasized that such fluctuations in domestic prices within short periods of time are not wholly conducive to sound economic growth. At the least they temporarily undermine confidence in the nation's development programs. While at the worst if allowed to continue they actually begin to thwart these programs.

It appears, however, that the conditions leading to this recent extreme price behavior were transitory. The sudden and deep decline in wheat production in 1345, is, of course, the fundamental factor. Since then grain production has improved and prices have fallen.

Sources and Methods

The National Price Index is a weighted average of food and non-food prices collected across the country. The prices themselves are collected by the D'Afghanistan Bank branches in key cities. Currently prices for 24 commodities are collected from 28 main cities. Beginning with 1345, a national average price is calculated for each item through multiplying by the estimated 1345 population of each city. For the period 1340-44, when prices from 16 cities were collected, the estimated 1337 populations were used; the commodity content has remained constant throughout the period.

Using the year 1340 as the base period the city or national average price for each commodity for each year is converted to a price relative. The commodity price relatives are weighted according to their estimated expenditures in GNP in 1337 to arrive at the Group and General Indexes.

The Index is, therefore, a Laspeyres, base-weighted type. Recently several improvements have been incorporated in the present index in an effort to expand its usefulness to the country. For example, somewhat improved population estimates have been made and presently incorporated to improve the city average price. A crude attempt to ferret out seasonal fluctuations has been made in the form of eliminating from the calculation in any given month these commodities for which quotations have been obtained from cities whose population sum to less than 50% of total national population. The index is now calculated on a monthly basis with about a three month lag, and it is expected that monthly indices will be calculated for each year back to 1340 making available sufficient short-term data on which to base advanced seasonal adjustments.

Finally, looking to the future, a Household Expenditure Survey is currently underway for the City of Kabul. As these results become available the Index will be expanded to include more food items and a much wider range of non-food goods and services. Of course, such data will permit substantial improvement in the weighting scheme.

BALANCE OF PAYMENTS AND FOREIGN TRADE

I. Importance of Trade to Afghanistan

In 1345 it is estimated that merchandise export earnings contributed 8.1% to the gross national product of the country. The content of this trade is virtually all primary commodities produced in the agricultural and livestock sectors. The major agricultural commodities exported in 1345 were dried fruits and nuts and raw cotton while karakul and wool were the major livestock components (see Table 1). The agricultural and livestock components of export earnings represented, in 1345, 15.0% of estimated total agricultural output. In other words, export earnings are not only highly related to the overall economy (GNP) but exceedingly important to the agricultural sector as well. Thus as the data show, export earnings are enhanced for the well-being of agriculture. This is a situation common to most developing nations as their economies are agriculture oriented and hence their exports are dominated by primary commodities.

Table 1: Pattern of Exports 1343—1346

	Volume (Millions $)		Distribution (%)	
Commodity	1343	1346	1343	1346
Total	63.2	65.0	100.0	100.0
Fresh Fruit	5.7	8.1	9.2	12.5
Dried Fruit & nuts	13.5	18.0	21.3	27.7
Karakul	10.5	8.4	16.5	13.0
Wool	6.3	5.9	9.9	9.1
Cotton	14.3	11.3	22.6	17.3
Carpets & rugs	8.7	5.2	13.8	8.0
Natural gas	—	2.9	—	4.5
Other	4.2	5.2	6.7	7.9

Note: Detail not add to total due to rounding.
Source: Statistics Department. Ministry of Planning based on data for Ministry of Commerce and D'Afghanistan Bank.

Imports are an important contributor to the satisfaction of consumer wants and supplying the sinews for development. As a proportion of 1345 GNP commercial imports reached 8.3%. For example, the nations needs for tea and sugar are satisfied through imports. Although such consumer wants and supplying the sinews reached 8.3%. For example, the lead to the creation of jobs and incomes for those sectors engaged with the transporting, marketing and processing of these same goods. Thus, the importation of goods which Afghanistan does not itself produce in adequate quantities, such as tea and sugar, satisfies a felt need in the economy and contributes directly to incomes generated from total output.

Primary materials and capital goods, the basic ingredients in the recipe to expand and improve the productive capacity of an emerging nation, are imported by Afghanistan. For example, commercial imports of primary and capital goods aggregated $21.6 million in 1345 out of a total import bill of $74.7 million. A significant component of capital goods imports is electric machinery and this reached the level of $2.5 million in 1345 while non-electric machinery showed a 70% gain over 1344 attaining the level of $1.4 million. Basic chemical materials imports were over $0.5 million in 1345. These are the goods which the economy of Afghanistan requires in order to modernize and render more efficient its productive capacity.

II. The System of Balance of Payments

The balance of payments of a country shows the status, at any given point in time, of its external payments and receipts. In its trading relations with other nations Afghanistan incurs debts and receipts: the debts are an outflow of foreign exchange reserves at the time payment is made and ownership to the good or service is transferred, while receipts are an inflow of foreign exchange at the time payment is made and ownership to the goods or services is transferred. Thus an ideal balance of payments does not depend on or report actual physical shipments until ownership to the goods is transferred from the seller to the buyer. For example, in the case of goods sold on consignment such as karakul or wool from Afghanistan, ownership remains in the hands of the Afghan Trading Company until they are transferred to the buyer and payment is made. For prediction and other purposes, of course, the shipped movements and stock changes of goods and services shipped on consignment must be known. The simple shipments report of karakul or wool ought not to enter the balance of payments until ownership changes. Accordingly, certain adjustments have been made in the major commodities sold on consignment, namely, karakul, wool and cotton, such that the data for them entering the balance of payments are on a change of ownership basis. A number of other improvements in the reporting of Afghanistan's balance of payments have been made beginning with the year 1343 and these are more fully reported in the section on Source and Methods appendixed to this chapter.

III. The Balance of Payments Record 1343-46.

An examination of Table 2, the full balance of payments record, reveals that the commercial balance with the world, after reaching a high water mark of a favorable balance of over $12 million in 1344 (when import curbs were imposed fell off to an unfavorable balance of almost $3 million in 1345 and $0.1 million 1346. In 1344 demand was exceptionally good for karakul in the consuming countries (USA and UK) and prices were favorable. Since then, however, prices have declined (the unit price in the USA has dipped from $10.10 to $9.81 per skin. demand has slumped (imports of karakul from all sources into the USA fell off by over 30 in 1967) while competition has stiffened. South Africa has emerged as a major competitor for the USA market in recent years and in 1967 Argentina sold almost half as much in the USA as did Afghanistan. Furthermore, current stocks of karakul in USA are at record levels.

A favourable balance has existed on expenditures in Afghanistan by foreign embassy and international organizations compared to expenditures abroad by Afghan embassies and agencies; the balance has ranged from $1.3 to $1.5 million with no discernible trend.

Tourist and travel expenditures, both debit and credit are subsumed in the erors and omissions entry as insufficient actual data exist to warrant an estimate at this time.

Commodity assistance imports grew steadily until last year when they fell by half from the peak achieved in 1345. The imports from the bi-lateral zone increased by about one million dollars over 1345 while those from the mutilateral area fell 72%. The end product of this shift was that for the first time during the four-year period covered commodity assistance imports from the bi-lateral area exceeded those from the multilateral zone. Commodity availabilities in the donor nations were the important bases for the modifications. The composition of these imports has remained relatively stable since 1343 with wheat and sugar dominant. However, recent development efforts in wheat have been successful and self-sufficiency appears near at hand.

A sharp increase took place in 1346 in foreign debt interest payments; the increase was $5.5 million or 2.5 times greater than the 1345 level. Although amortization payments were down in 1346. total debt service reached a record level of almost $11.3 million, up $4.6 million over 1345. The distribution betwen the two zones has been about equal until 1346 when payments to the multi-lateral area forged ahead to almost one million dollars more than the bi-lateral area. On the other hand, interest payments to the bi-lateral bloc in 1346 more than doubled while those to the multi-lateral countries increased by 60%. The net effect was $860,000 greater interest payments to the former. A portion of the total debt service payment ($5.6 million) to the bi-lateral group in 1346 was made in the form of credits earned by exports of natural gas; but even so the remainder ($2.6 million) was slightly greater than the total debt service paid to them in 1345. Curiously enough, total debt service paid to each area in 1346 was about equal ($5.6 million).

Official foreign exchange asset changes, with the exception of 1344 have been negative. However, the decline in 1346 was relatively small, and was, in effect an improvement over 1345. The outlook for 1347 and beyond is not favourable and it is likely, unless strong measures to expand exports and reduce imports are adopted, that much larger declines in foreign exchange assets can be expected. (The next section examines this particular problem in more detail.)

AFGHANISTAN'S BALANCE OF PAYMENTS WITH THE WORLD

in million dollars

	1343			1344			1345			1346		
	Bilateral	Multi-lateral	Total	Bilateral	Multi-lateral	Total	Bilateral	Multi-lateral	Total	Bilateral	Multi-lateral	Total
GOODS AND SERVICES:												
Export of Goods & Services	+27.872	+38.254	+66.126	+20.395	+51.166	+71.561	+26.291	+40.122	+66.413	+25.974	+41.718	+67.692
Merchandise Exports (F.O.B)	+26.772	+36.469	+63.241	+19.265	+49.392	+68.651	+24.789	+38.955	+63.744	+24.802	+40.231	+65.033
Foreign Embassies Local Expenses	+ 1.100	+ 1.785	+ 2.885	+ 1.130	- 1.774	+ 2.904	+ 1.502	+ 1.167	+ 2.669	1.172	+ 1.487	+ 2.659
Imports of Commercial Goods and Services	-23.986	-44.188	-68.174	-24.303	-33.583	-51.886	-28.567	-39.479	-68.046	-19.845	-46.582	-66.427
Merchandise Imports (C.I.F.)	-23.466	-43.388	-66.854	-23.749	-32.763	-56.512	-28.017	-38.661	-66.678	-19.355	-45.779	-65.134
Expenditures of Afghan Diplomatic Agencies Abroad	- 0.520	- 0.800	- 1.320	- 0.554	- 0.820	- 1.374	- 0.550	- 0.818	- 1.368	- 0.490	- 0.808	- 1.298
Balance On Commercial Transactions	+ 3.886	- 5.934	- 2.048	- 3.908	+17.583	+13.675	- 2.276	+ 0.643	- 1.633	+ 6.129	- 4.864	+ 1.265
Import of Project Goods & Services	-45.180	-13.960	-59.140	-38.470	-17.870	-56.340	-54.729	- 9.078	-63.807	-47.701	-14.298	-61.999
Commodity Assistance Imports	- 2.546	-12.837	-15.383	- 4.389	-13.739	-18.128	- 4.511	-15.764	-20.275	- 5.616	- 4.499	-10.115
Foreign Debt Interest Payments	- 3.040	- 1.800	- 4.840	- 0.220	- 1.740	- 1.960	- 0.160	- 1.990	- 2.150	- 4.260	- 3.400	- 7.660
Balance On Goods & Services	-46.880	-34.551	-81.411	-46.987	-15.766	-62.753	-61.676	-26.189	-87.865	-51.448	-27.061	-78.509
Capital Accounts:												
Gross Capital Inflow:	+47.726	+26.797	+74.523	+42.859	+31.609	+74.468	+59.240	+24.842	+84.082	+53.317	+18.797	+72.114
Development Loans &Grants	+45.180	+13.960	+59.140	+38.470	+17.810	+56.340	+54.729	+ 9.078	+63.807	+47.701	+14.298	+61.999
Commodity Assistance	+ 2.546	+12.837	+15.383	+ 4.389	+13.739	+18.128	+ 4.511	+15.764	+20.275	+ 5.616	+ 4.499	+10.115
Gross Capital Outflow:	- 1.820	- 1.800	- 3.620	- 1.900	- 1.890	- 3.790	- 2.190	- 2.050	- 4.240	- 1.359	- 2.260	3.619
Amortization Payments on Foreign Aid Loans	- 1.82	- 1.80	- 3.62	- 1.900	- 1.890	- 3.790	- 2.190	-2.050	- 4.240	- 1.359	- 2.260	- 3.619
Balance on Capital Account	+45.906	+24.997	+70.903	+40.959	+29.719	+70.678	+57.050	+22.792	+79.842	+51.958	+16.537	+68.495
Net Receipts or Payments	- 0.974	- 9.534	-10.508	- 6.028	+13.953	+ 7.925	- 4.626	- 3.397	- 8.023	+ 0.510	-10.524	-10.014
Errors & Omissions	+ 2.594	+ 6.704	+ 9.298	+ 8.788	-11.373	- 2.585	+ 3.486	- 3.653	- 0.267	- 2.890	+12.694	+ 9.804
Foreign Exchange Asset Changes	+ 1.620	- 2.830	- 1.210	+ 2.760	+ 2.580	+ 5.340	- 1.140	- 7.050	- 8.290	- 2.380	+ 2.170	- 0.210

[illegible]

Briefly, the balance of payments outlook in 1347 is as follows. Unless specific curbs are imposed on imports or active efforts are made towards import substitution, commercial imports are likely to increase to $71 million or more in 1347. Although 1346 was not a particularly good economic year, commercial imports held at the 1345 level (when economic conditions were better). If measures to stimulate the economy in 1347 are effective then a parallel increase in imports is a very real possibility.

Export

Export expansion of traditional exports is not likely unless measures are enacted within the consuming markets to counteract the rapidly changing situations there. Further losses can be expected in karakul wool and cotton, particularly in the former arising out of changing consumer tastes and stiff competition from other producing countries. Exports of fresh and dried fruit and nuts did exceedingly well in 1346, but such exceptional growth is not likely to repeat and the best we can hope for is a similar volume in 1347 (we lack adequate data at this time to construct more detailed forecasts). The value of total traditional exports in 1347 may dip below $60 million, or at least $2 milion less than 1346.

[illegible]

Debt service in 1347 is estimated at $19.0 million. The payment to the bi-lateral zone will be $12.5 million, but from this must be subtracted the value of natural gas exports ($9.1 million). Net debt service would be $10.0 million. We can estimate the balance between embassies and agencies expenditures as a favorable $1.5 million.

Adding up these estimates we arrive at a possible unfavorable balance of $20.0 million in 1347. A favorable balance in travel and tourism is quite possible, but this could not add more than a few million, which would still leave the loss in foreign exchange assets at over $15 million. A substantial drawing from the International Monetary Fund and/or assistance from friendly nations would be required. However, neither one of these actions would lead to the structural improvements fundamental to a healthy balance of payments.

The analysis following will focus on these structural improvements both in exports and imports.

IV. Pattern of Exports and Imports

Export

Karakul, cotton and fruit (both dried and fresh) have predominated the export pattern ranging between 61 and 76% of total exports in recent years. These are all primary commodities as are most of Afghanistan's exports, with the exception of carpets and rugs as the sole entry in the manufactured category which have been running at about 12% of total exports. (See Table 1. and Chart I). In 1346 karakul exports fell by over 28%, or a loss of $3.3 million. In the U.S. the unsold stocks at the end of 1346 more than doubled the 1345 level while in the UK stocks were down over 23%. Cotton exports held their own while fruit sales were up substantially in 1346. The carpet situation has taken a turn for the worse with exports in 1346 down 35.0%. Traditional exports in 1346 were down, therefore, by almost 5% or $3.0 milion.

The near-term outlook for traditional exports is highly unfavorable without measures to stimulate sales of Afghanistan goods abroad. The situation for karakul in the USA is indeed grave. Demand for total karakul has fallen; volume of imports in 1967 (latest year available) fell by 27% from all sources and 58% from Afghanistan while wholesale prices dropped by 12%, but for Afghanistan the decline was a mere 3%. Value of world imports was 36% lower in 1967 than in 1966 but for Afghanistan it was a severe 59% drop. As noted above unsold stocks at the end of 1346 were largest in recent history. Competition has become an important factor with South Africa and Argentina increasing their shares of the USA market; in 1967 the year of a huge decline in Afghan karakul sale in the USA, Argentina was the only country to show growth. Furthermore, in 1967 Argentina and South Africa together equaled the value of Afghanistan's exports, while the year earlier they were below 30%.

Historically, primary agricultural commodity exports have depended on the exogenous growth of consuming markets and the share of market which any given exporter could attain. The combined volume of production by the producer countries of any given agricultural commodity usually has little bearing on the quantity sold; as a matter of fact the workings of the Cobweb theorem forces a reduction in prices so that even with a larger quantity of exports to the consuming nations (accounted for mainly by population growth), export proceeds at best would be only slightly improved. The post-war history of coffee is a case in point.

These are two fundamental lessons to be learned then, and both are applicable to Afghanistan, from the history of primary agricultural exports. First, the size of the consuming markets at any one time is fixed while the growth is essentially a function of population gain. Thus, the exporters are unable to affect or influence market size. Second, primary agricultural commodities have become subject to technological advances and in reality a coffee bean is no longer a coffee bean. In other words, we are living in a highly technical world where rapid advances have been applied to primary commodities enabling product differentiation to take hold. Consequently the larger share of the market goes to the exporting country which can apply science to a primary commodity and make its karakul different and better than its competitor's. This approach is applicable to karakul, cotton as well as carpets and rugs.

The method can be considered as existing in two parts, but carried on simultaneously and related to each other. One aspect is the production and quality control which seeks, though product research and improvement to develop a differentiable good. In the case of karakul this would consider such problems as food intake and range managment while with cotton it would begin with better seed, cultivation techniques and mechanization. The other aspect is the market research of the major consuming markets, with a fundamental emphasis on gathering facts from

Table 3: Commercial Imports Classified by Economic Groupings

		Amts in Million dollars				Share of the Total			
		1343	1344	1345	1346	1343	1344	1345	1346
Grand Total	SITC	78.9	66.8	74.7	74.2	100.0	100.0	100.0	100.0
I. Direct Consumption Totals		48.1	40.7	49.7	52.0	60.9	61.1	66.6	63.0
Non-durable goods		28.5	25.3	34.4	36.0	36.1	37.9	46.1	14.8
Food items	0	23.8	22.0	30.1		30.2	34.3	40.3	
Medicinal and Pharmaceutical products	541	2.6	1.6	2.3		3.3	2.5	3.1	
Toilet and other chemicals for cleansing	552	0.9	0.9	1.3		1.1	1.3	1.7	
Semi-durable		11.3	10.5	9.6	9.4	14.3	15.6	12.9	12.6
Used clothing	843	2.1	1.4	1.0		2.7	2.1	1.4	
Clothing	841	1.8	1.2	0.9		2.3	1.9	1.1	
Manufactured articles	899	1.8	2.4	1.9		2.3	3.7	2.5	
Tyres and tubes	629	1.2	2.1	3.1		1.5	3.3	4.1	
Durable Goods		8.3	4.9	5.7	5.7	10.5	7.6	7.6	8.9
Passenger Road Motor vehicles	732	2.3	1.4	1.2		2.9	2.2	1.6	
Household electric goods	721	1.2	1.3	2.3		1.5	2.0	3.1	
Hardware and household goods	699	1.1	0.9	1.2		1.4	1.4	1.6	
Sanitary, plumbing, heating and lighting fixtures	812	3.1	1.1	0.9		3.9	1.7	1.2	
II. Others - Totals		30.5	26.0	25.0	22.2	38.7	39.9	33.3	37.0
Combustibles and lubricants		9.3	5.5	5.6		11.8	8.2	7.5	
Petroleum		9.3	5.5	5.6		11.8	8.2	7.4	
Primary and secondary materials		14.2	12.9	12.3	12.7	18.0	19.3	16.5	17.1
Textile fabrics other than cotton	653	5.8	4.3	4.9		7.4	6.7	6.6	
Cotton fabrics woven	652	3.9	4.0	3.4		4.9	6.2	4.6	
Textile yarns	651	1.4	1.5	1.8		1.8	2.3	2.4	
Non-ferrous metals	681	0.8	0.8	1.2		1.0	1.2	1.6	
Capital goods (Machinery and equipment)		7.0	7.6	7.1	4.0	8.9	11.4	9.5	5.5
Machinery electric	72 1/	2.7	0.2	0.2		.04	.03	.03	
Trucks and buses	732	2.6	5.9	5.1		3.3	9.2	6.8	
Machinery non-electric	71 2/	2.7	1.2	1.4		3.8	1.8	1.9	
Unspecified		0.5	0.1	0.1		0.0	0.0	0.0	

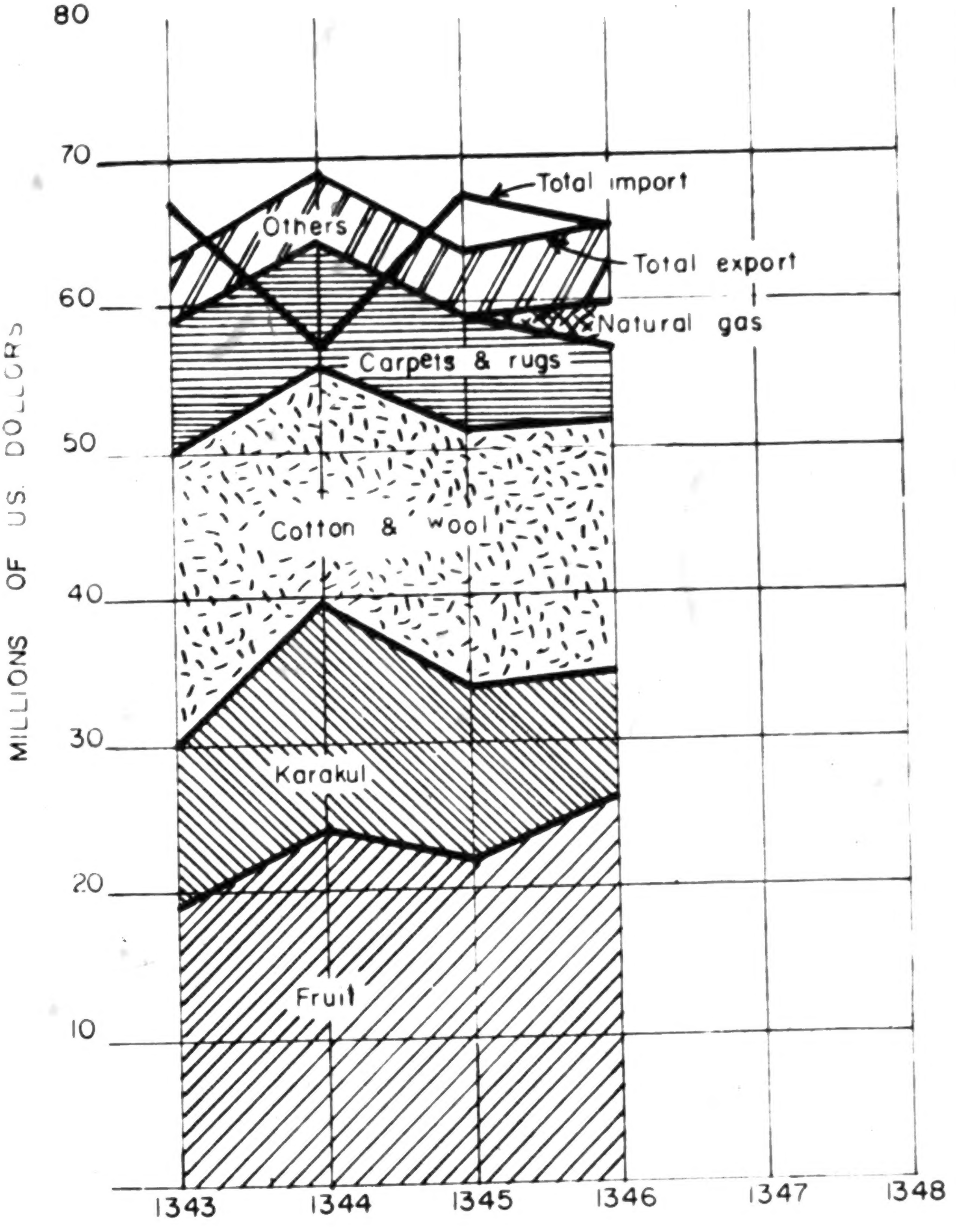
Note 1: The total cost in dollars of merchandise imports shown in the balance of payments tabulation differs from the total cost of commercial imports contained in the table on economic classification of imports. The explanation is that each set of data comes from a different source; the former from a source which providesthe total of commercial imports while the latter from a publication which provides the detail required but, unfortunately, contains some of the imports of commodity assistance. It was not possible at this time to extract the commodity aid figures by commodity so as to [illegible] total of commercial imports equivalent to that used in balance of payments. An attempt on correction will be made in the near future.

Note 2: [illegible] may not add to grand total due to rounding.

1/ [illegible] certain divisions which are assigned to durable goods.

Source: Statistics Department, Ministry of Planning, based on data of the Ministry of Commerce.

CHART I - MERCHANDISE TRADE OF AFGHANISTAN



which we could make accurate judgements concerning consumer preferences, kinds and quality of competitors' goods, market organization and forms of communication to advertise our quality products. The relation between the two aspects is in the market research information which would inform our producers of the kinds of differentiated product which would sell best now and over the long term.

As the program outlined above could not begin immediately we shall develop a realistic projection for 1347 assuming no product differentiation and no increase in market share. With karakul, wool, cotton and carpets we assume further losses in total sales in 1347. The size of inventory at the beginning of this year places severe pressure on prices for Afghanistan while strong competition limits the volume which could be sold. Fresh fruit and dried fruit exports cannot be expected to maintain last year's growth rate. At best then, traditional exports probably will not exceed $60 million or a minimum of 3-4% below last year.

Imports

A nation with development pains is likely to burst its import seams because the increased incomes from development expenditures wheat the national appetite for consumer goods which domestic industry is unable to provide. This is in addition to commercial capital goods and primary material, imports which serve directly the development needs of the nation.

During the period for which we have been able to estimate homogeneous sets of data, namely, 1343-1346, total commercial imports have held at the $65-66 million range with the exception of 1344 when import curbs were enacted. Despite depressed economic conditions in 1346 imports remained within this narrow range. On the average about 60-70% of commercial imports originate from the multi-lateral area; in 1346 the multi-lateral share was at the upper limit.

Beginning with 1343 a special tabulation has been made of the economic classification of imports. The classification is composed of groups each representing a particular economic phenomenon or sector satisfied with imports. They are, as listed in Table 3, Direct Consumption, semi-durables and Durables), Combustibles and Lublicants Primary and Secondary Materials, and Capital Goods. Detailed data are available only through 1345 at present.

One of the most notable features from Table 3 is that in 1344, despite the import curbs, direct consumption goods increased their share of total imports, with food as its accounting for virtually all the gain. In 1345 commercial imports of direct consumption items increased not only their share of total imports but also increased in absolute value from $22 million to $30 million, or a gain of over 35%. Again foods dominated. Primary materials and capital goods enjoyed 13% and 54% increases in their respective shares of market in 1344. Textile yarn and basic fabrics accounted for the major portion of the primary material imports with vegetable oils and non-ferrous metals sharing the bulk of the remainder. As for capital goods, all of the gain resulted from a doubling in the volume of imports of motor vehicles other than passenger cars. (These were mainly trucks and busses.)

Semi-durables, durables and combustibles and lubricants trended downward such that their combined share has fallen by almost a third. A sizeable proportion of semi-durable imports is accounted for by new and used clothing; (one need only walk through the bazaars to see clear-cut evidence of this fact), while tires and tubes have upped their share. Durables have shown a consistant decline, absolute and in percentage share terms. These imports are related to the consumers's desire and capacity to purchase the modern gadjets of a modern society, and in Afghanistan have been dominated by passenger motor vehicles, household machinery and plumbing fixture. These purchases involve large sums of money and are highly related to the construction cycle, household formation and changes in discretionary income. Their decline suggests, therefore, that by 1345 economic levels (considering especially the temporary but sharp rise in domestic food prices which reduced the amount of discretionary income) the market was becoming saturated.

The outlook for 1347 commercial imports is a function of our best guess of the directions the economy may take and the relations between these directions and the economic classes of imports.

As a country develops there is a great pressure to expand consumer goods and semi-durable goods imports. In Ecuador and Philippines the income elasticity for such goods is in the neighbourhood .75-.90 at the average. This is for demand, however, while for imports alone it ranges from .90-1.10. For Afghanistan we can assume at least 1.0.

For lubricants and combustibles, as Afghanistan has no domestic supply, it is forced to import all it needs. As the manufacturing and transport sector are the heavy users of these products, and as modernization proceeds there is a tendency towards machines and processes which are heavy users of lubricants, we can take as the rate of growth of lubricant imports the combined rate of growth in the manufacturing and transport sectors as outlined in the Third Plan, Revised.

Primary materials can be viewed in the same sense as lubricants, although the total domestic demand is met partially by domestic sources and partly through imports. It would be safe to use the rate of growth of manufacturing for the expansion of primary material imports as the development efforts thus far have been infra-structural and hence not very likely that production capacity for these materials will grow more rapidly than manufacturing itself.

As for commercial capital goods imports, given the Third Plan emphasis on completing infra-structure projects and initiating productive projects a high proportion of Plan investment will most likely be deected toward the acquisition of capital goods in the public and private sectors. The import demand elasticity of capital equipment in Ecquador and Philippines is close to 1.0. Although conditions are different in Afghanistan such that the pressure for capital goods imports is even greater, it would be wise to use at least 1.10 here.

Finally, as for durables with its composition equally divided amongst producer durables and consumer durables, and again because of the lack of domestic production, the growth of imports is likely to equal the projected growth of total output for goods and services, which implies an elasticity of 1.0. With the market saturated, at least through 1346, it is possible that the elasticity ought to be lower because descretionary income may be lower. But, we shall be conservative and assume 1.0.

Due to the inclusion of certain commodity aid in the economic classification data, the total value for commercial imports is higher than it should be for our analysis (see Table 4, below). Thus, we apply the overall rate of growth, 7.0%, to the value of commercial imports in 1345 shown in the balance of payments table. Our best estimate for 1347 commercial imports is $71.3 millions, in constant 1345 prices) if strong measures are taken to stimulate the economy and if no import control measures are adopted.

Table 4: Summary of Import Projections 1347

Import Class	Macro Variable 1345-47 (%)	Elasticity	Import rate Rate of growth 1345-47 (%)	Value of imports Millions US$
Total			7.0	80.0
Direct Consumption				49.4
Non-durables	GNP 6	1.0	6	36.5
Semi-durable	GNP 6	10	6	10.2
Durables	GNP 6	1.0	6	2.7
Lubricants & Combustibles Mfg and Transport.	MFR. 10	1.0	10	6.2
Primary materiels. MFR	10	1.0	10	15.8
Capital Goods	GNP 6	1.10	6.6	8.6

Source: Statistics Department. Ministry of Planning.

Sources and Methods

A number of improvements have been incorporated in the balance of payments beginning with the year 1343. These improvements are summarized below.

Merchandise Trade

New Source and Method	Former Source and Method
Valuation at change of ownership point; reflects actual sales and value at point of time when ownership actually changes.	Physical exports with the exception of karakul, for which D'Afghanistan Bank data were used.

Exports

New Source and Method	Former Source and Method
D'Afghanistan Bank data in karakul, wool and cotton as these commodities are sold on consignment and the sale proceeds are realised well after actual, physical export. For all other commodities physical export data as reported by the Ministry of Commerce are used as these data are tantamount to receipt of proceeds and change of ownership, with the exception of carpets and rugs, which are sold on consignment also, but largely through private channels and for which we have no actual sales data.	Physical export data as obtained from the Ministry of Commerce.

Imports

New Source and Method	Former Source and Method
A re-classification of imports into economic categories, thereby facilitating analysis with respect to major economic movements.	Not available formerly.

Debt Service Payments

New Source and Method	Former Source and Method
Separte reporting on interest and amortization payments. This makes possible an assignment of these items to their proper functionary categories within the balance of payments accounting system; interest is charged to current account	Reported as one number with no breakdown.

while amortization is charged to capital account.

Foreign Embassy and International Organization Expenditures

New Source and Method	**Former Source and Method**
Actual expenditures of foreign currency 1343-1346.	Assumed and estimated figures.

Expenditures of Afghan Embassies Abroad.

New Source and Method	**Former Source and Method**
Actual expenditures of foreign currency 1343-1346.	Assumed and estimated figures.

The program to improve the reporting on balance of payments has only begun and several positive changes have already been achieved. During the course of the next year other substantial improvements are planned such as reporting of actual data on payments for freight and insurance, tourism, travel and other. These modifications will enable us to report imports f.o.b instead of c.i.f. and to measure the tourist and travel sector directly.

This is a joint program of the Statistics Department of the Ministry of Planning, the Statistics and Research Department of the D'Afghanistan Bank and the Foreign Trade Statistics Department of the Ministry of Commerce and Trade. The program emphasizes reporting of actual data rather than assumed or estimated figures utilizing existing administrative channels and exploring new ones.

Summary of Results of Population Survey of Greater Kabul

A Census of Kabul city was conducted in 1344. As a result of this census, necessary statistical data was collected for use in rationalising municipal projects and for planning purposes in the commercial, industrial, construction, transport, water supply, health and educational projects.

As per available data from this census, the population of Greater Kabul, was 435.2 thousand. Of this the population within the city limits (municipal area) was 289.7 thousand or 67%. The remaining 145.5 thousand or about 33% was in outskirts of the city, included in the area of Greater Kabul.

In Kabul proper and in the outskirts there were 69.7 thousand households, each one of these consisting, on an average, of 6.1 persons. The population of Kabul according to household composition is as follows:

Households consisting of one family each accounted for more than 78% of the population, of which 5% accounted for households containing three families each. Of the population of the city, children up to 14 years of age accounted for 194.7 thousand or 44.7%.

People falling in age group 15 to 64 years were 226.9 thousand Male population out-numbered that of female. This was due to the fact that people from other areas came to Kabul without families. However among the children of or upto 5 years of age, both sexes were represented in their proportion equally. In this age group there were 949-984 girls for each 1000 boys. In the age group 15 year and more, the number of male population was much larger. There were at an average about 701 women for each 100 men. This difference as mentioned earlier, was due to the immigration of people generally from rural areas who came in search of jobs and finally settling here. Against each one thousand of male population among the original inhabitants of the city, there were 709 females, whereas among the people who have come from provinces, there were 538 women against per thousand of men. More than two-thirds of the population was born in Kabul and the remaining one-third immigrated from provinces.

The aforementioned information shows that a greater number of the people who came to Kabul from other provinces in search of livelihood have settled without their families in Kabul. Almost half of the residents of Kabul have resided in the city, since a period of less than five years. It points to a heavy mobility to and re-settlement of people in the towns due to availability of jobs in industrial, commercial, construction, motor transport establishments, etc. and similarly it explains increased enrollment in the primary, middle schools and Kabul University during the First and Second Five Year Plans.

Of the total number of women, ie., 99.3 thousand of 15 years or more, 73.2 thousand or 74% were married. Of all the male population of 141.2 thousand, of the same age group (15 years and more), 82.6 thousand or 59% were married. The difference in percentage is due to the larger number of men than women. At the time of census, 40% of women of 15-19 age group were married. At the same time, from among the men of the same age-group, only 7% were married.

Literate persons of 5 years or more formed 32.%. The percentage of literacy among the male population was 42.3% and among women it was 19.2%. This means that the percentage of literate male population was more than twice that of women.

The number of literate young men was two times and that of literate women six times, of their respective old age groups. This indicates that during the period of planned development, the pace of educational development has been proportionately much faster. It must be mentioned that the level of literacy is still very low. The educational developments, therefore, in the country as well as in the capital city should proceed at a faster rate. Half of the literate population of the capital accounts for persons whose private or primary school education remained incomplete. Persons with complete primary and incomplete middle school education form 23% and those who have completed middle and higher education form 14% of the literate group.

According to the results of the census, 231.8 thousand people were able to work. Of this the total number of persons employed and earning was 119.1 thousand. The number of persons working at home, persons in search of jobs and other persons not employed reached 85.9 thousand.

In the case of expansion and development of industries, construction, trade, handicraft and other fields of economy in Kabul, a portion of 35.9 thousand persons can be profitably employed in production process and services.

Manpower

Considerable increase was noticed in the number of persons employed in industry during the year 1346. There was a gain of 3,350 employees or 10.2% in employment opportunities during 1346 compared to 1345. This increase took place in the food processing industries and was particularly caused by the expansion of the fruit processing enterprise in Parwan.

Compared to the employment data for 1341 the over all increase in the number of persons employed in industry was 44.6%. Industrial employment for the years 1341 to 1346 are given below:

Table 1: Industrial Employment, 1341 - 1346

Industry	1341	1342	1343	1344	1345	1346
Coal Mining	1.358	1.067	1.133	1.324	1,433	1,582
Mining of Non-Metalic Minerals	254	349	291	296	326	469
Food Production Processing	1.459	1.488	2.115	2.337	2,421	5,230
Textile and Cotton Cleaning	9.483	11.201	11.095	11.909	12,511	12,271
Mobile manufacturing and Carpentry	785	803	675	572	611	616
Printing and Publications	1.130	1.193	1.007	958	1.012	1,092
Briquetting	88	99	90	107	97	89
Building Construction Materials	1.662	1.781	1.954	1,941	1,973	1,761
Car Repairing, Transport Equipments, and Metal Works	1.328	1.399	1.399	1.430	1,581	1,592
Generation of Electricity	442	461	477	480	695	1,044
Other Industries	170	252	262	270	311	579
Total	18.169	20.093	20.498	21.624	22.971	26,325

It may be mentioned that the number of establishments which employed 100 or more persons increased considerably during the last six years. This is shown in the following table:

Industry	1341	1342	1343	1344	1345	1346
Number of industrial units which employed 20 to 99 persons	43	42	47	48	55	61
Number of industrial units which employed 100 or more persons	29	30	30	33	33	34
Total number of units	72	72	77	81	88	95

Industry	1341	1342	1343	1344	1345	1346
Torghondi-Herat-Kandahar Highway	10,800	11,000	13,759	13,676	1,200	—
Salang Highway	10,378	10,123	9,314	—	—	—
Nengarhar Canal	11,226	13,800	13,978	11,548	11,585	13,678
Naghlu Electric Power	5,192	7,200	7,200	6,700	6,000	3,510
Bridges in Nengarhar Province	1,888	1,888	2,152	—	—	—
Sardeh Dam	9 20	9 20	1 162	4 39	1,113	1,200
Housing Construction	7 15	8 17	6,00	—	—	—
Kabul-Kandahar Highway	1,881	2,876	3,362	1,600	1,190	—
Doushi-Sher Kanhbander Highway	184	490	4,679	2,751	3,611	—
Pul-e-Charkhee Workshops	900	2,967	2,468	1,300	1,197	1,000
Projects which were financed from the normal budget of the Ministry of Public Works	5,000	6,000	7,000	8,678	7,167	6,000
Puli-Khomri-Sheberghan Highway	—	—	886	2,302	4,911	2,750
Mahi Par Electricity	—	—	—	1,290	2,200	1,500
Pakhtia Highway	—	—	885	799	885	338
Second Stage of Bagram Airport	—	—	—	699	839	1,022
Kabul-Jabalusseraj Highway	—	—	2,182	320	—	—
Kabul Torkham Highway	809	1,995	3,175	509	—	—
Poly-technic	—	—	1,172	1,812	2,137	3,330
Bridges in Kunar Province	—	—	—	480	500	—
Construction Works in Miroricn	—	—	—	765	1,800	1,800
Kabul-Pul-e-Alam-Gardez Highway	—	—	—	321	756	1,014
Construction of power mill for silo No. 2	—	—	358	2,662	505	52
Technicum of Jangalak	—	—	—	—	482	187
Chemical fertilizers factory	—	—	—	10	561	2,180
Technicum of Mazare Sharif	—	—	—	—	1,991	2,030
Herat-Islam Qala Highway	—	—	—	—	710	1,470
Begramee Textile	—	—	—	—	—	1,192
Kunars Highway	—	—	—	—	—	317
Kharwar dam	—	—	—	—	—	299
Qunduz Bridge	—	—	—	—	—	272
Afghan Construction Unit (2)	—	—	—	—	3,699	1,679
Laghman Highway	—	—	—	—	—	602
Totals	49,893	60,076	74,332	58,861	55,204	47,598

(1) During the year 1343 work on the irigation system was completed and work on agricultural projects was completed by the beginning of 1345.

(2) Excluding the flour mill in Silo No. 2.

Employment in construction projects during the Second Plan reached a high point in 1343 when all major infrastructure programmes were in full operation. The trend since then has been downward and continued with a further decline of almost eight thousand employers in 1346. As the larger infrastructure projects, such as the Torghondi-Herat-Kandahar Hihgway, Naghlu Electric Power and the Doushi-Sher Khanbander Highway, have phased out and other smaller projects have been added, but their employment needs are substantially smaller.

II Sectoral Analysis

Agriculture And Irrigation

Poor harvests in 1345 resulted in soaring food prices and this in rn induced farmers to divert their attention from the commercial and her crops to production of foodgrains. This fact, coupled with favourble climatic conditions in 1346, gave rise to overall increase in farm oduction. The production of cotton, however, suffered a set back, beuse it could not stand competition in price with grains. Inspite of this crease in food and other production, there is still much scope for imovement. Recently a 40 percent increase in the price of cotton and 10 ercent rise in the prices of wool and karakul skins were approved by e Government in order to improve their competitive position and preent further decline in the export.

Table 1: Agricultural Production

(000 Tons)

	1345	1346
Foodgrains		
Wheat	2,033	2,200
Corn	720	730
Barley	370	375
Rice	337	345
Total	3,460	3,650
Cash Crops		
Cotton	61	57
Sugarbeet	56	52
Sugarcane	51	51
Oilseeds	55	55
Total	223	215
Fruits and Vegetables		
Fruits	372	400
Vegetables	590	600
Total	962	1000

Source: Estimates of Ministry of Planning.

Report on the activities in the fields of agricultural research and irrigation projects 1346

ood grains

Wheat

With a view to discovering better wheat varieties, investigations nd research were carried out on a number of local and imported improved seeds, both on private and public plots. These studies tackled among other things, such important aspects of production as effects of climatic conditions on seeds and fertilizers, seeding and harvest periods, resistance to diseases and application of irrigation. Results thus obtained were applied to improving production. In 1346 about 586,000 seers of improved seeds and nearly 15,000 tons of chemical fertilizers sufficient for 280,000 jiribs of land and 50 fertilizer demonstration plots, were distributed among farmers in Kabul and other provinces. At the same time 1,980 wheat demonstration plots were set up in various parts of the country to help farmers make first hand observations. Moreover, 10,000 seers of seeds were cleaned by machines for future use.

Corn

Studies concerning the production of corn have been going on for a number of years. Experience has proved that Minnesota variety is more suitable for colder regions such as Kabul, Logar, Kapisa and Parwan, whereas the Elusher Cropper variety is best for warmer climates such as in Nangarhar, Kandahar and Laghman. These seeds have produced better results than any other. Thus far 192 varieties of seeds have been sown in Darul-Aman and Shisham Bagh farms; 5,500 seers of ammonium nitrate and superphospate were distributed among the corn growers of Logar; 75 demonstration plots were organized in Logar, Baghlan, Kapisa and Parwan.

Rice

With the objective of discovering the most suitable rice variety, nearly 200 different kinds of foreign seeds have been sown in Nangarhar, Laghman, Herat, Baghlan, and Kandahar on an experimental basis. Attempts were also made to determine their characteristics such as yield, resistance to crop diseases etc. On the whole, 35 demonstration plots were organized in an effort to provide practical instructions to the rice cultivators.

Cash Crops

Cotton

A number of experts were assigned to provide instructions to cotton growers in matters concerning sowing, irrigation, and picking. Approximately 200 demonstration plots were organized in different provinces and nearly 160 tons of cotton seeds were distributed to Herat farmers. More than 85 jiribs of land was devoted to the study of possible improvements in cotton yield. In 1346 about 14,000 seers of improved seeds were provided to be sown early this year. At the same time the Government increased the price of cotton by 19.36 afghanis per seer in an attempt to encourage production.

Sugarbeet

Research is continuing in order to discover better seeds and effective ways for increasing the sugar content percentage. In Ghuri, Bala uri. Hassan Tall and Baghlan, farmers have been given useful instruc- ns as well as 44.36 seers of free superphosphate and amonium nitrate use in their fields. Similar research was conducted on other farms find out means through which the yield and quality of soybeans, sun- er and almond could be improved.

Vegetables and Fruits

egetables

For sometime Government has been engaged in constructive ef- rts to improve conditions for the growth of vegetables. Seeds were im- rted and studied for their yield, resistance to various diseases, adjust- ent to new environments and other qualitative aspects. In an attempt improve vegetable quality in Afghanistan, more than 10 million plants cluding tomato, eggplant, cauliflower and pepper as well as a large antity of seeds were given to the farmers. Another 200 seers of im- oved seeds have been saved to be sown in early 1347. Research on tatoes has shown that sweet potatoes are feasible for Afghanistan. As matter of experience, three jiribs of sweet potatoes were sown in Herat d Nangarhar, and 20,000 tomato bushes were offered to Nangarhar rmers. At the same time 30 demonstration plots were conducted to study effects of chemical fertilizers on potatoes and other vegetables.

ruits

With regard to fruits, similar steps were taken. In 1346, nearly 00 fruit trees and 10,000 vines were planted; 3,500 trees were grafted; 90 ers of fruit pits were sown; 20 vineyards were selected where the effects fertilizers were studied; 400,000 young and improved vines were given people and Government agencies; and 500,000 additional vines were epared for distribution in 1347.

isheries

The project for raising fish consists of two stations, one at the Kargha m; the other at Darunta.

At the Kargha dam large numbers of carp were placed in special ols for breeding purposes. Of the 1,000,000 eggs imported from Bul- ria, 70 percent was successfully hatched. Of the latter, two-thirds were nsferred to the Sardeh Dam and the remainder sent to the Punj river. dditional studies were also made to improve fish breeding and raising.

The construction work of the Darunta station which started in 345 is 20 percent completed. A new farm covering 500 jiribs of land is eing planned to produce fish feed. Nearly half a million small fish om 5 different carp genuses have been imported from the Republic of hina of which ninety percent has been already placed in specially desig- d pools. So far more than 100,000 small fish have been transferred to e Darunta Dam.

Protection of Crops

Spraying and dusting of crops have been employed in all provinces against mice, locust and animal and plant diseases. During 1964 about 3,062,167 fruit bearing trees, [illegible] grape-vines, 6,000 jiribs of cotton and sugarbeet, 9000 jiribs of vegetable as well as 13,945 tons of wheat were sprayed against pests. Similarly, 18,006 jiribs of land and a number of storage rooms consisting of 138,553 cubic meters of space received curative and antibiotic treatments. Proceeds from the sale of health certificates which amount to Afs. 970,000 were transferred to the government account.

Forestry

This project undertook topographic mapping of the Kunars forests on a [illegible] scale. Pictures were taken from the helicopter and the woodlands of Asmar, Kamdish and Kornicall areas were identified on the map. Some work was also done elsewhere in connection with determining the quality of soil and climatic conditions as well as the identification of various forest regions.

Artificial Forests

This project is concerned primarily with the Paghman popular forests, road sides of the Kabul city, the Hozori Chaman, the Samangan, Paktia and Nangarhar woods. The project intends to plant fruit-bearing and decorative shrubs, to graft them and to donate seeds and plants to people and agencies of the Ministry of Agriculture. During 1346 about 700,000 plants and stalks were planted, 190,000 trees were grafted, 273,700 bags of eucalyptus seed were sown and 23 seers of seeds were picked in woodlots. At the same time, the project distributed 800,000 plants among people. Other routine maintenance works are being done daily.

Pasture Land Improvements

This project performed a number of services in 1346. Eight research stations in Kabul, Baghlan, Balkh, Jozian, Badkhis, Kandahar, Farah and Sarobi were opened under this project. Each station covers an area of 500 jiribs and is devoted to study of grass varieties, soil and climatic requirements. A quantity of exotic seeds were sown in Balkh; 73 different kinds of grasses were experimented with in Sarobi; 150 kg. of 8 different seed varieties were obtained from the Chamtala and Badam Bagh stations. The project has also succeeded in making a complete survey of pasture lands.

Farms under this project are located in Paktia, Badghis, and Samangan. During 1346 some 65,800 olive trees were transferred from the Matoon Bala hills to the Nangarhar canal; 600 seers of olives were picked, 3200 young olive trees were planted in the Bagh Zahir Shahi and 3,000 trees were grafted. Preliminary measures have been taken to prepare an additional 200,000 jiribs of land for olive plantation.

Under the pistachio project a number of studies were conducted and instructions imparted to farmers about the importance and improvement of the plantations. 60 jiribs of land was set aside on the Niamati farm for building a research station headquarters. One hundred seers of pistachio seeds in 25,000 plastic bags were sown.

Sheep Improvement

With regard to improving the quality of meat and wool, necessary measures were taken in various sheep breeding and research centres.

1. At the Baghlan farm 1,166 sheep have been raised for breeding purposes. Some 580 young sheep, which were born on the farm itself, have been kept to be distributed later for breeding rams. An additional 829 more rams were raised for future distribution.

2. A new sheep ranch has been biult in Sheberghan and a flock of karakul was sent there in 1346. At the Bala-Murghab farm measures were taken to improve the quality of Arabic, Karakul, Ghil zai and Herati sheep. The farm has 934 heads of sheep of which 290 are karakul, 240 Arabic and rest are Ghilzai and Herati. Nearly 500 wool samples have been taken to study the quality of different kinds of wool, including Baluchi, Herati, Hazaragui, Arabic and Ghilzai.

Animal Disease Prevention

This project deals with the various animal disease and remedies for them. A number of bacteriological and oprological tests have been carried out in several laboratories and many animals have been innoculated against diseases. A large quantity of vaccine was sent to other projects of similar nature in the provinces. It should be noted that the campaign against diseases is of two types, one protective and the other curative. The number of animals treated for various diseases such as black leak, black disease, antrotocosmia, neccasel, cow cholora and other inter-diseases. A certain quantity of semen was extracted from animals and preserved for future use.

Artificial Insemination

During 1346 nearly 10000 cows and sheep were bred artificially. In addition a number of animals were treated for internal diseases. A certain quantity of semen was extracted from animals and preserved for future use.

Dairy Products

A small pilot dairy plant is under construction. The wiring and installation of machines, transformers and water pumps has been completed. The Bini-Hissar farm has already begun distribution of processed and pasturized milk to Kabul's residents. Laboratory analysis of milk from Shakar-Dara and Ghazni currently being supplied to a large portion of Kabul's population has been made.

Poultry

A poultry farm consisting of 50 jiribs of land is being established in Bagrami. Preliminary work was finished in the previous year. In 1346 construction of a new poultry house was begun. In that year 12,868 chicks, 2,467 chickens and ducks and 49,600 eggs were marketed from this farm.

Dairy, Cattle

Breed improvement work with dairy cows has produced satisfactory results. A number of domestic and foreign breeds and cross-breed cattle were used to determine the quality and quantity of their milk as well as their adaptability to environmental conditions found in Afghanistan. Four types of cows including Fries, Swiss, Kandahari and Kunari are to be given more consideration. During 1346 more than 280,000 pounds of milk and 1,400 pounds of butter were sold from the Bini-Hissar farm.

Sericulture

In 1346, 732 tins of silk worm eggs (each tin containing 12 grams net), 13,945 tins of commercial eggs, 628 kg of cocoons and 387 kg of other products were produced and packed for sale. Revenues received from their sale amounted to 1,016,633 Afghanis.

Construction work on another sericulture farm in Darul Aman is underway.

Veterinary School and Professional Courses

The Veterinary school offers courses in animal husbandry, horticulture, bee-keeping and vegetable growing. Courses are designed in such a way as to provide practical as well as theoretical training aspects. Laboratory work as well as school tours are arranged for the students. In 1346 about 175 students received professional certificates from the school and were able to obtain Government employment.

Bee-Keeping

This project received 100 different kinds of breeding bees as well as 48 families of honey bees. A total of 318 seers of honey and 50 pounds of wax was sold under the project.

Statistics

A preliminary statistical survey has been completed in 26 provinces. The findings will be used as the basis for future work in this field. The Hari-Rud Valley project has already made use of the statistical results in the preparation of economic and social surveys. The Parwan valley project is being prepared on the basis of statistics collected under this project.

Small Irigation Improvement Works

This project undertakes the excavation of new canals, the surveying and improving of irrigation networks and other related matters. It also deals with problems arising from disputes over the distribution of water.

1. Construction work of the Bakhtiaran canal.
2. A new design for the Deh Yahya Creek at the Pul-e-Mahmood Khan.
3. The survey, design and construction of the Joe Naw and Band-e-Injeel.
4. The design of Takhta-Pul reservoir and studies concerning the utilization of underground water.
5. The design and construction of the water distribution network of the Nahr-e-Zakan at Anar-dara.
6. The survey and design of Nahr-e-Ishkan in order to bring under irrigation 80,00 jiribs of land of the Bakwa desert.
7. The repair of Nahr-e-Chardara.
8. The survey of Nahr-e-Rajan in Logar.
9. The survey, design and construction of the water-distribution network of Alti Bolak which was started on 15th of Qaus, 1346.
10. Levelling of the Helmand river banks for a length of 14 km.
11. Complete digging of the Khoaja Kohistan creek together with three smaller jobs.
12. Design and completion of Nahr-e-Khuram and Raiza Kohistan dam, and survey of Bakeeman desert.

Furthermore the agro-chemical laboratory completed its analyses of 3,700 soil samples from the Parwan region.

Machinery Repair and Maintenance

During the year 1346 the achievements of the project have been as follows: One mobile workshop was sent to Faryab and Kunduz provinces accompanied by a number of trained professional As a result, 50 tractors in Kunduz and two in Faryab were repaired; 120 more tractors were repaired in Balkh.

The training of technical personnel and tractor drivers for the 200 English tractors in Kandahar was completed. A number of unassembled tractor which had remained unutilized during previous years, were made operative and sold to the farmers on credit. In the same way, 200 water pumps purchase from Pakistan were assembled by Afghan technicians and sold to the farmers. Several types of farm implements, which can be imported from Pakistan, Poland, India and France, were carefully studied. It was decided that French ploughs and cultivators would produce better results and should be purchased.

Parwan Valley Irrigation Development

A detailed survey of this project began at the end of 1343 and was completed in the last year of the Second Plan. This project in the first phase of its development covers 19,000 hectares of land to be irrigated. Approximately 9,000 hectares is entirely virgin land and the rest is under-irrigated and in need of additional water. The principal work of this project involves the construction of a dam on the Punjsher river and excavation of a 45 km. in length.

In 1346, the following items of work connected with this project were completed.

1. Testing and hydrological work on a number of wells and the Punjsher river.

2. Drilling work for the construction of an electric station; construction of a gas station and excavation of the main canal.

Survey and studies on control of flood water which were of primary importance for the construction of the main canal were finished. Water has been channeled for distribution along a 20 km distance. A topographic survey for the building of a 0.4 km siphon at the Ghorband river and the installation of a water pump at the station were completed. The Panjsher river was also topographically surveyed.

The Kharwar Dam

Work on the Kharwar dam, 22 miles south-west of Charkh (Logar) began in 1310 and by 1320, 80% of the work was done. For certain reasons the work remained unfinished thereafter, but was resumed in 1346. The dam is designed to irrigate between 15 and 19 thousand jiribs of land at a total cost of 3.5 million Afghanis. The project belongs to the Ministry of Public Works, which in 1346 spent two million Afs. on it.

Soil Surveys

The preliminary soil survey of irrigated land has been completed. A number of samples were taken from various regions to be studied for their chemical and physical properties. Surveying as well as sampling of the soil from the right side of Shakar-dara river has been completed.

Hydrology

Systematic and continuous studies of water floods and measurement of the Panjsher, Gulbahar, Salang, Shakar-dara and Istalif rivers, together with the construction of canals at the left banks of Panjsher and Ghorband rivers have been completed. The old channels of Panjsher river are being studied. Similarly, the Ghorband river is being studied for its hydrological prospects.

Sardeh Irrigation Project

At the end of the Second Plan, an important part of this project, the water reservoir, was completed, and throughout 1346 its water was used for irrigation purposes. Other activities with regard to this project consisted of excavations of the main and minor canals and land levelling and structuring.

Under-ground Water Irrigation Project

This project attempts to study the Kabul, Charikar, Mukur and Katawaz regions for the development of underground water resources. In Charikar, a 393-meter deep well has been dug and a water-pump installed with a 200-gallon per minute capacity. Similarly a 226-meter deep well in Mukur and a 118-meter deep well in Katawaz were built. In Charikar, leveling of the land, hydrological and geophysical studies, as well as the collection of necessary data and graphs have been completed.

Hydrological and Geophysical Studies

The hydrological studies of the Mukur-Katawaz region is proceeding satisfactorily. About 50% of wells and Karez in this area are being studied systematically. Samples have been taken of the water in this area to be analysed in laboratories for its chemical properties. Similarly, wells and springs around the Tarnak valley have been surveyed and the volume of well and sping water in Charikar has been measured.

Hydrological Development

1. Construction of the Tangi-Gharou Hydrology station.

2. Measuring of water flow during flood periods, and the study of Farah-rud, Hari-rud, Helmand, Kabul, Paktia, Khanabad, Punj and Amu rivers and their various contributories. The studies have estimated the volume of water and the possible changes in the river courses and their banks in future, due to abnormal floods.

An automatic recorder has been installed at the Tangi-Gharou station. Construction work on stations in other parts of the country is still going on.

Kabul and Hari-rud Irrigation Development

Under the Kabul river project work concerning the survey and study of the soil as well as drilling and mapping of the Upper Kabul, was completed. Now the irrigation and agronomic studies are underway.

The right bank of Hari-rud, 120 km long, has been mapped. Approximately 250,000 jiribs of land in Herat has been surveyed for its productive quality and capacity. Drilling, for engineering purposes, is proceeding at the Gulbahar dam site, and Punjsher, Tangi-Shah and Gawkan rivers. The geophysical study of the 60,000 hectares of land in Parwan has been completed. Similarly, the provisional drafts of a map for the Ghorband river and the siphon which will be constructed at the point of intersection of the canal and the shutul, Ghorband and Sland rivers have been finished. Drilling and geological study of the area around Gulbahar dam are still continuing. The right of the Panjsher river has been dug 70 meters deep for further study and a complete geophysical profile of this bank has been drawn.

Regional surveys and the making of maps at 1/10000 scale in connection with the Gawkan dam and water reservoir have been done. Drilling and study of rocks from seven wells (with a total depth of 440 meters) are continuing. A provisional design of an irrigation scheme for the Parwan valley, covering 40,000 hectares of land has been drawn up and the soil has been surveyd and analysed.

The Panj and Amu Project

The topographical, geological, engineering, geophysical and hydrological studies of this project are now complete.

The Nangarhar Valley Authority

The following items of work were done by this Authority:

1. Levelling of 8,931.4 hectares of land.
2. 8,036.4 hectares of land are under cultivation.
3. 1,500 hectares of land have been given to farmers and government agencies.
4. Irrigation and structuring of land belonging to farm No. 1 was done.
5. A number of buildings, such as office buildings, grain storage rooms, residential accommodations etc. have been constructed.
6. Irrigation of land outside farm No. 1 and transformation of barren lands to arable lands was done.
7. Digging of 14 wells in Jalalabad. Also measures were taken for maintaining these wells.
8. Distribution of water from Nangarhar canal to 14,0000 hectares of new and previously cultivated lands.
9. Measures have been taken to protect, repair and maintain the soil and irrigation facilities from damages done by floods.
10. Agricultural offices have cultivated large acreage both inside and outside the farms and have planted a large number of

tropical trees.

11. Farm No. 3 designed to raise cattle and sheep, is complete.

12. Irrigation work for 2,936 hectares of land on farm No. 3 are completed. Of this area, 2,400 hectares has been farmed three times so far. Soon the remaining will be cultivated.

13. In 1346, 107 hectares of farm No. 3 were transformed to orchards in which olive and other trees were planted. Thus far, 387 hectares of this farm has been used for plantation.

14. On Farm No. 1, out of 2,961.2 hectares of land belonging to it, only 480 hectares to be developed. The rest has already been improved and cultivated.

15. Out of 12,300 hectares of land outside the farms needing improvement, 3,573.7 hectares has been levelled and structured, and an additional 2,916.9 hectares will soon be ready for cultivation. Within the next three years nearly 9000 hectares (3000 hectares per year) will be improved. Because most of this land is presently rock and hard, its improvement requires between 330 to 350 millions Afs. each year.

16. Regarding the improvement of land outside the farms, the following measures were taken in 1346.

    a) Clearing of nearly 978 hectares of land for rocks, stones and gravels.

    b) Spreading of fine top soil on some 863 hectares of rock soil. As a result of these efforts, the following output was obtained in 1346:

Grain and peas	280 tons
Wheat	166 tons
Barley	95 tons
Peas	16 tons
Rice	3 tons
Hay	45 tons
Clover	12 tons

In the month of Hoot in the year under review, eight boxes of silk-worm eggs were imported from Bulgaria for farm No. 3. In the same year 335 cattle were kept for experimentation and breeding. The number of poultry kept for breeding and research purposes this year reached 45,421. In the same month, 14 deep wells were dug to prevent underground water from reaching the surface and damaging property in the inhabited areas.

The number of employees engaged in construction work during year 1346 is as follows:

Table 2: Employment in Construction Activities

Classification of Employment	Number According to Plan 1346	Actual number	Actual number on 1.1.47	Number based on Plan
Professional Personnel	3.801	3.542	3.602	4.124
Other employees	10.000	9.432	9.331	11.000
Total	13.801	12.974	12.933	15.724

In addition to those employees 244 police officers and 571 clerks were employed which brings the total number upto 13.733. A number of persons acquired training and necessary skills by taking technical courses offered by the Nangarhar Valley Authority. Today both the number of skilled workers and their efficiency have increased. In 1344 for each foreign expert there were Afghan counterparts assigned, while in 1344 and 1346 the number of Afghan technicians increased to 64 and 91 respectively. Today many Afghan technicians and officials not only work independently in various technical jobs and manage various departments, but they also teach and impart their skill and knowledge to new employers.

The Helmand Arghandab Authority

The primary function of this organization is to take measures relating to the distribution of land among immigrants to help them improve their standard of living to increase farm production and industrial output as well as to provide better social services such as schools and health facilities. In 1346 the Authority has channelled its activities in the following areas:

Agricultural Development

The main function of this project is research on soils, plant adaptation, seeds and increased productivity. The project has already resulted in increased production, better production quality, increased plant variety, etc. Through this project also an attempt is being made to generalize the use of chemical fertilizers and to wage a battle against plant diseases. Similarly the technical personnel under this project have been working towards improving the existing farm implements used in agricultural operations. Special attention has been given to the production of wheat. For this purpose some 64 different seeds have been studied and sown. Furthermore, 337 jiribs of land have been used as a base on which to study the efficiency and methods of production, and the effect of chemical fertilizers on productivity. In addition to this 19 varieties of corn and 20 varieties of sugarbeet have been experimented with. Also 630 jiribs of land of the "dilfas" type were used with a view to improving productivity. As a result of this 80,000 kg of cotton seeds were produced and distributed among the farmers. A number of demonstration plots, including 120 wheat fields, 84 cotton fields, and 100 corn plots, were organized for the purpose of instructing farmers.

The campaign against crop diseases, measures for livestock protection and treatment of animals were continued during the year. For their aesthetic value nearly 760,000 plants and trees were planted on 10,000 jiribs of land, and a number of fruit bearing and other forests were were further expanded.

2. The A[illegible]kan Project

The project concerned mainly with homeless people of the Helmand Valley. In 1346, the project provided houses for 203 families. According to the regulations each family also receives bullocks and some farm implements.

3. Construction Activities and Land Improvement

The construction of dams, reservoirs and canals as well as roads have provided a sound basis for the development of 600,000 jiribs of arable land in the Helmand and Arghandab Valleys. Accordingly, a number of jobs were undertaken in 1346:

a) Under the Nadi-Ali drainage project, work on mapping and building of creeks etc. was continued.

b) Under the Darwaishan land development project nearly 2000 jiribs of land was used for technical and engineering studies and another 1,500 jiribs were levelled for cultivation and farm road construction.

c) Under the Shamalan land development project, the engineering survey of the area was started and preliminary construction work has begun. The re-excavation of old creeks is still going on. Moreover, through the Maintenance Department of the Helmand Valley Authority steps were taken to improve the maintenance of the dams, canals and creeks etc. In the field of construction too, a number of activities took place in 1346. Other fields related to education and health have been studied separately.

Educational Development

The project includes the folowing:

1. The Lashkar Gah School: This school has registered 565 students.
2. The Marja Junior High School in which 218 students have been enrolled.

3. Nine elementary schools which have 1.688 students.
4. Twelve farm schools with 513 students.
5. A typing center in which a number of students and government officials are enrolled to learn typing. In 1346. 43 persons took courses there.
6. Construction of the Lashkar-Gah School building and the completion of the Marja Junior High constitute two major items of work under this project.

Health Program

In the Lashkar-Gah Central Hospital more than 61.000 people were treated in 1346 for various complaints. Due to the shortage of doctors the Nadi-Ali, Marja and Darwaishan hospitals are assisted on appointment by the doctors from the Lashkar-Gah Central Hospital.

Paktia Province Development

The Paktia Development project which consists of a number of systematic regional development programmes began in early 1344. The primary objective of this Project is to improve the general living standard in the province by the most efficient and maximum use of the natural resources available to the province. As forests are one of the most important sources of revenue to the inhabitants in that province, effective measures have been taken to develope and recultivate forests in the area and to prevent unnecessary waste of trees and plants. Furthermore, agricultural development and animal husbandry as well as the expansion of handicraft industries and social services such as transport and communication facilities constitute other major items of work under this project

1. The Forestry Project

Under this project nine foreign technical and professional experts were working in 1346. These experts were assisted by a number of Afghan counterparts in their work. During the year 1346, the Gardaiz and Khost forests were expanded and reforestation activities took place in the Chamkani, Ali-Khail, Hassan Khail, Mir Zaka and Mundahir areas. Similarly, a number of of country roads were built to connect the timber producing centers to other places. The Mundahir forest which covers a 4.300-hectares was fully surveyed. Also the Baldout, Patla and Wahid-khail woods were studied. In Kotaki, a headquarters for the forestry officials and a meteorological station were built. Observations on recommendations for the Ali-Khail forests were completed. Training of individuals in connection with cutting and planting of trees was given. The tree cutting practices used in Paktia, are based on the use of axes, and involves nearly 50 per cent waste. To eliminate this, a number of modern cutting saws and machines have been imported.

2. The Agricultural Project

In various parts of Paktia 3,800 experiments on chemical fertilizer took place. Some studies showed that marginal productivity of fertilizers has been nearly 10 times higher than their cost. With each 10 Afs additional expenditure on fertilizers the output can be increased by 80 Afs. Also a number of foreign and domestic seeds have been tested and the application of certain seeds has increased output by 25 per cent or more. Fifteen seed-processing machines have been used profitably to clean and process seeds. With regard to production of legumes, necessary instructions were given to the farmers. Nearly 80 different kinds of native and foreign fruits and vegetables have been experimented with in the Paktia province for their adaptability. Moreover, three water siphons each with a length of 380 meters were built. In addition to small canals, a number of pools and water reservoirs were constructed in various areas of Khost including Kundi, Karmiza, Laghar-Pira and Awrati. Livestock was also studied for various diseases.

The Rural Development Project

In 1346 the Village Development Project included 47 programs in different parts of the country. Each included improvement of agriculture, health and education and transportation as its target. The growing interest of the people in education, better health, more efficient means of transportation, etc. made the village development programme a success. This project under took a number of activities in the following areas: Jaji Maidan, Dara-e-Paich, Yaka-o-Lung, Jaghori, Behsud, Sheenwar, Ghorband, Panjsher, Andarab, Archi, Doalat Abad, Sang-e-Charak, Laghman, Wardak, Nahwar, Kishim, Darzab, Eshkashim, Khougiani, Farkhar, Punjab, Urgun, Mungal, Logard-e-Awal, Logard-e-Doyam, Daikandi, Tani, Choura-Arzga, Saighan and Kuhmard, Quadis, Jurm, Shaiwaki, Gulistan, Chakhansur, Andar (Ghazni), Lal-and-Sarjungle, Nouristan, Punjwahi, Parwan, Arghistan, Chamkani, Dara-e-Suff, Katawaz, Tayora-Ghor, Gulran, Maiwand and Shajoe.

The educational, health and agricultural activities of this project are briefly described as folows:

1. Cultural activities

In the aforementioned areas, 349 village schools for boys and girls, 578 vilage assembly halls, 58 public gathering centers and 191 adult educational courses as well as 12 adult clubs were estabished.

2. Health activities

In 1346, nearly 259,840 men, women and children were checked and treated for various complaints 12,358 individuals were vaccinated against small pox; 8,911 kg of milk were distributed among poor people; 41,052 cakes of soap were given out and 55 villages were sprayed with useful chemicals.

Agricultural activities

The agricultural headquarters have released helpful instructions to the farmers with regard to the preservation of grain and related matters. In the same way, 153,914 fruit bearing and other trees were planted; 1483 farm implement exhibits were opened; 31,039 trees were sprayed with chemicals; 35,009 animals were treated for various sicknesses; 16,369 seers of wheat and other grains were chemically treated 2,150 capsules against animal liver diseases were given out; and a number of deep wells were dug and a number of sewage systems were repaired and new ones built.

Transport activities

In the areas mentioned above, 110 km of new roads and several bridges were constructed by the transportation section of the project.

Cadastral survey

The cadastral program started during the Second Plan period. The initial activities consisted of training personnel, provision of means and facilities for collecting data and office management. Later on, in 1346 nearly 400,000 jiribs of land were surveyed by cadastral methods. These methods cover such items, as establishing ownership rights, placing signs, making maps, and preparing lists of owners, and other legal documents as well as statistical registration of land. Such surveys have been completed in the following regions: northern area of the Sardeh dam, in Yungui Qala, in Takhar, in the Munara and Zakir Sharif regions of Kandahar and in the Char-burjak area of Chakhansur. Because the completion of cadastral surveys usually takes a longer period of time, other less time consuming surveys are also being taken up to help make short-term adjustments in the agricultural holdings. This method of surveying called the "land inventory" has a greater practical importance and provides information about doubtful ownership, land classification, mapping amounts of land, etc. This kind of surveying was done in the southern part of the Sardeh dam, Sepand and Noughi in Ghazni, Saidabad and Shash-Gaw in Wardak. Similar works are continuing in Kandahar, Helmand and Chakhansur.

Mines And Industries

With the completion of the projects envisaged for building up of infra-structure, our economy during the second phase of its development, was geared to make full use of the infra-structure already built, and also of the additional productive investment. For a number of reasons, however, this objective could not be achieved:

1) Rising prices, particularly food prices, compelled the Government to divert the resources from capital formation in industries to the procurement of foodstuff. Deficit financing had also to be avoided with a view to keeping prices in check.

2) Lack of experience in the field of production techniques caused a great deal of time to be spent and even wasted, on the appraisal and selection of production projects and other means with which to adjust our economic policy to the changing conditions.

3) Shortage of efficient administrative personnel, entrepreneurs and skilled workers was an additional factor resulting in under-utilization of the existing industrial capacity.

These factors were responsible for the creation of a gap between the achievement as a result of the past economic activity and the inception of the new one. An effort was made to fill the gap by new private spending. Pursuant to this a new Investment Law was passed. Fortunately, the infra-structure already built and the money privately invested improved the situation to some extent. On the other hand, however, the decline in public investment, in addition to reducing industrial output, slowed down the process of private investment. Moreover, by the time the Second Plan came to an end, the Third Plan was not yet ready to be launched. Consequently, new projects did not start on time; nor were all manpower and other resources fully utilized.

Based on these factors, Government deemed it necessary to increase its development budget from 1.6 billion Afghanis to 2.15 billions and to look for additional ways and means conducive to industrial growth.

Those industries which, besides the agricultural sector, are considered as the most important source of production in Afghanistan are as follows:

Table 1: Value of Industrial Production, 1346

	Production in 1346 (1) (in billion Afs)	Percentage
All Industries	13.4	100
Factory Production	3.9	29.1
Output of small cottage industries	9.5	70.9

(1) This is gross industrial output: i.e. the cost of raw materials, depreciation charges and other costs are not adjusted for.

At present about 120 industrial concerns are active in Afghanistan. Some of these are engaged in the production of coal, salt, lapiz-lazuli, cement, textiles, flour, oil, soap, ceramics, and natural gas, etc. The following table presents the production figures of these industries:—

Table 2: Industrial Output 1345-1346

Industry	1345	1346	Change from 1345-46
Electricity (million KWH)	303.3	359.6	18.9
Natural gas (million m^3)	—	522	—
Coal (1000 tons)	161.6	151	— 6.6
Cement (1000 tons)	174	123.6	—29.0
Lapis-lazuli (tons)	10.3	5.5	—46.6
Cotton (1000 tons)	24	18.5	—22.9
Cotton cloth (million meters)	66	64	— 3.3
Wool cloth (1000 meters)	463	340	—26.6
Nylon cloth (1000 meters)	1.304	1.311	0.5
Leather shoes (1000 pairs)	107.6	119.4	10.9
Sugar (1000 tons)	7.1	7.5	5.6
Flour (1000 tons)	55.3	67.5	22.1
Pastries (1000 tons)	15.5	16.0	3.2
Salt (1000 tons)	38.7	31.3	—19.1
Vegetable oil (1000 tons)	3.4	3.1	8.8
Soap (million cakes)	1.4	1.5	7.1

Other factors, in addition to those mentioned above, responsible for the reduction of industrial output in 1346 were the decline in agricultural production in the previous years, increased private and even public expenditures on foodstuff, decreased investment and consequently less employment opportunities due to financial difficulties, rising cost of industrial raw materials and rising exchange rate which inflicted losses on the export industry. Certain measures, on the one hand to increase private investment and employment opportunities, and on the other hand, to restrict imports of goods and services will improve the conditions. It is hoped that these measures will prove worthwhile. As we know that portion of the industrial capacity which now remains unutilized, is capable of absorbing additional money and it even justifies the creation of a budget deficit preferably through borrowing from the Da Afghanistan Bank.

From the point of view of their legal status, the industrial enterprises can be classified as follows:

Table 3: Legal Status of Industrial Enterprises

	Number of Firms	Actual Output (in mill. Afs)	Percent of total output
All registered factories	130	3.9	100.0
Government enterprises	31	1.7	43.6

Electricity, cement, flour, barley, printing materials, coal, gas and salt are produced mostly by the public sector enterprises. The Central Silo which employs 700 workers produced 317 million Afghanis worth of bakery products, constituting 10 percent of the whole industrial output for 1346. The output of power by the hydro-electric stations reached a height of 264 million KWH. The rapid expansion of government industries, particularly those producing gas and electricity, has created a favorable climate for the development of industries in other sections of the economy.

The year 1346 marks the beginning of the era of industrial development as in this year most of the large-scale public sector projects as well as quite a number of infra-structural projects were built and completed. The new Investment Law and other constructive steps taken by the State in 1346 have had a noticeable impact on the growth of private industrial units. By the end of 1346 the Investment Committee approved 36 applications for new enterprises, all of which accounted for more than a billion afghanis of initial investment. Of this 7 were of foreign origin, belonging to 4 different countries with $2 million worth of initial capital. With increased efforts to promote employment opportunities and investment on one hand, and to discourage the import of competing goods, a firmer base for the expansion of light industries will be laid, and a greater volume of consumer goods will be produced. No doubt better management, improved production quality and efficient utilization of machines and resources, which are highly desirable factors in production, will make the production of quality consumer goods easier. This, however, depends largely on what steps our private entrepreneurs and technical personnel are likely to take. Some of the new industrial units which have been recently started, include the Kabul Cotton Factory with 36000 spindles per shift, the Monajim Zaddeh Shoe Factory, the Kunar Furniture Company, the Kandahar Tannery, an oil extracting factory in Bost and a printing house in Kunduz. Additional work on the Gulbahar Text. Co. is also finished and soon the company will be able to increase its production by 12 percent.

The following table throws some light on the growth of some selected industrial enterprises as well as on their relative importance.

Table 4: Composition of Industrial Output

Sectors	1345 (%)	1346 (%)
Total output	100.0	100.0
Electric output	19.5	21.3
Fuel	3.1	6.3
Construction material	8.6	6.1
Output of the light industries	41.6	39.2
Output of food industry	16.1	15.7
Miscellaneous industrial products	11.1	11.4

As is seen, between 1345 and 1346 the production of fuel was doubled and this was primarily due to the exploitation of natural gas pursuant to several geological surveys and detailed studies. In all, three gas deposits have been discovered in Shiberghan which contain about 60 billion m3 of natural gas.

Small cottage industries which are responsible for 90 percent of the whole industrial output have been given sufficient attention through the establishment of new workshops and expansion of the existing as well as by the creation of new ones. In an attempt to increase the production of silk cloth and other hand spun goods in Herat, a special commission has been constituted under the chairmanship of the Governor of Herat. Similar measures have been taken with regard to the production of rugs and carpets. Similarly, the Government is keenly interested to see that its efforts in developing such important industrial units as the hydro-electric stations and gas extracting establishments, will soon form the necessary technological basis for the growth of other medium and large-scale enterprises throughout the country.

Expansionary Industrial Activities

Chemical Fertilizer and Thermo-electric Establishments

A. Chemical Fertilizers

After the discovery of natural gas in northern Afghanistan, an attempt was made to produce chemical fertilizers in large quantities. A factory, at a cost of $24.6 million and Afs. 380 million, capable of extracting 71,000 tons of ammonia needed for the production of 105,0000 tons of urea, is now being built at the Balkh river. The factory is also proposed to be equipped to produce nitrogenous gass oxygen and liquid ammonia. It is expected that the factory's annual output, being in excess of domestic demand, will be exported partially. Work on the factory will continue throughout 1347.

B. Pipeline

A pipeline with a 97.5 km length, 820 mm diameter and 4 billion m3 annual capacity was completed in 1346 to carry gas to the USSR. In addition to this, a gas reservoir and a refinery with a total cost of Afs 108 million and $2.9 million worth of natural gas was exported to the Soviet Union. Export for 1347 is estimated at $9 million, which will rise to $18 million in tre subsequent years of the Third Five Year Plan.

Another pipeline which will be used inside Afghanistan to transport natural gas from the source to the chemical fertilizer plant is also under construction. The cost of this will be Afs. 55 millions and $3.8 million and its maximum capacity will be 500 million m3 per annum.

C. Search for gas and petroleum

Search for gas and petroleum as well as drilling in many areas such as Yateem Taq, Quimshiki, Khoaja Goguirdak, Mohammad Jan Dagar, Sand Kuli, Abadan and Atgat Ganj went on throughout 1346. Nearly 1700 Afghan and 400 foreign workers were engaged in this project. Furthermore, work was going on on the construction of a gas and petroleum technicum, as envisaged by the Plan. About $6 million was appropriate for this project. It is interesting to know that construction work on the Jangalak Technicum exceeded its planned target by 24 percent and was completed 3 months ahead of the deadline. By the end of 1346 approximately 40 percent of the work needed to be done on this project was completed.

D. The Mahipar Hydro-electric Project

This Project is located at 40 km east of Kabul, having three turbines, each with a total generating capacity of 22000 kw. The remaining work on the first and second turbines was completed in 1346, and they were successfully put to operation on an experimental basis. All the foreign technicians, with the exception of one, were relieved from this project to take up other assignmnets. During the second half of 1346, unexpected floods caused to the project, which was subsequently repaired by replacing the damaged parts. Work on the third turbine was finished by the end of 1346. The three generators are now working very satisfactorily.

E. The Naghlu Hydroelectric Project

The Naghlu station is located at 65 km east of Kabul. The project has cost the national exchequer Afs 60 million and consists of four generators with a total capacity of 88000 kw.

Electric Stations

The Mazar Station

During 1346 wiring of the project was completely overhauled and repaired. The preliminary work was completed, and a new diesel engine was installed to increase the total power capacity of Mazar Sharif from 500 to 700 kw.

The Herat Station

In Herat four new stations were installed to replace the old station. Each station has 500 kw capacity. Two of them are now operating full time; the other two are ready to operate. Also a sub-station with 1000 kw capacity was constructed in 1346. Two additional ones are planned to be built in the near future. Work on the main cable having a length of 2 km and 6000 volts intensity, was also finished in 1346. All other preliminary work on this project is completed.

The Kabul Station

In 1346, 49 new electric towers were built in various sectors of the Kabul City. As a result 180,000 meters of standard wires was extended and 55000 meters of large size cable was laid.

The Charikar Station

Two electric towers were built in Charikar during this year. At the same time 203 poles together with brackets and slitter were installed within 44 km area between Charikar and Jabal Seraj.

Thermo-electric station in Mazare Sharif

A thermo-electric station with a 36,000 kw capacity and three turbines which are run by natural gas are being constructed 20 km west of Mazar Sharif. Of the total capacity, 24,000 kw will be consumed by the chemical fertilizer plant; the rest will be used to serve Mazar Sharif, Balkh and surrounding areas. The total cost of this project is estimated at Afs. 65 millions and $6.5 million.

Coal Activity

The coal deposits of Dara-e-Suff

This mine has engaged 236 people of whom 150 are doing actual mining. Throughout the year, work, including digging, continued on this mine. New houses were built for the workers and adequate water supplies and other amenities were furnished. The mine's total output reached a height of 7314 tons and its total expenditure amounted to Afs. 3 million

The Kar-Kar and Ishpushta deposits

These mines have provided employment for more than 1300 people. The section in charge of briquettes was completed in 1346 and was put to operation on a trial basis. Construction work for a hospital and a number of houses for the employees continued throughout the year. The 1346 output was 141.664 tons, and development expenditures Af-22 millions.

Geological Surveys

Mapping

The mapping of Mokur, Malistan, Tura and Khassai areas was completed, and a number of samples were taken and analysed for their gold content. Some studies in the Zarkashan region indicated that each cubic meter of ore at 16.5 to 33 meters below the surface contains 170 to 3500 mg of gold. The gold particles found were as one millimeter in size. Other studies show the presence of gold in Nuraba and Enjira, at the left bank of the Punj river. In certain parts of the Nuraba river upto 480 mg of gold was discovered in each cubic meter of sand. Other samples show the gold ratio to be 1018 to 3583 mg in each cubic meter of ore.

Survey of Coal Mines

All areas around Ghorband, Darra-e-Suff, Puli-Khumri, Ghazni and Kalat have been studied for coal. The Shabashak deposit has been surveyed and it was found that its coal is not of a good quality to justify mining. On the other hand, coal from the Darwaz regions has a better quality and merits further attention. Similarly, surveys of the Laila and Mirza Walang areas have produced satisfactory results. The samples taken thus far are encouraging, and their further analysis seems to be well waranted.

Surveys of the Copper, Lead and Nickel deposits

The copper, lead and nickle deposits in Ghabargai, Dayak, Kundilan and Surkh Shila are being surveyed. As it is now known, the Ghabargai deposits contain a significant amount of copper. The Dayak lead and nickle deposits contain nearly 41,000 tons of metal. In the Kundilan region nearly 200,000 tons of copper seems to be located at 200 meters below the surface.

In 1346 the hydro-meteorological team continued its search for mineral water. Other professional groups conducted studies on non-metalic mines including phosphorous, fiberglass, talc and ingredients used in making glass. In the meantime a laboratory was busy testing the samples.

Cartographical Activities

Various cartographical surveys were made around Khulm, Kunduz, Hazrat Imam, Mazar-i-Sharif, Herat and Kabul. Some effort was made to produce geological maps of these regions as well as maps for irrigational purposes. The Department of Cartography continued its co-operation with agencies needing its assistance. It is clear that activities this department are very useful to the planners, specially in the Ministry of Agriculture. The choice of sites for various stations and the production of general purpose maps all depends on the success of this department.

1) This is gross industrial output; i.e. the cost of raw materials, depreciation charges and other costs are not adjusted for.

Transport And Communications

Of the 6500 kilometers of useable roads in the country, some [illegible]000 kilometers are all weather roads. Included in the latter category are 2300 kilometers of concrete and asphalted highways, the construction of which was completed during the Second Five Year Plan. During the year 1346 work continued on the construction and asphalting of the highway linking Pul-i-Khumri with Mazar-e-Sharif and Sheberghan, Herat-Islam Qala highway, Kabul-Pul-e-Alam-Gardez highway, Gurdez-Khost highway and the bridge and highway near Laghman.

Fine asphalted roads have encouraged growth of road traffic, which has almost doubled in volume, and have brought down running costs with consequent reduction in freight rates. The number of automobiles has also increased due to road development. This increase is particularly noticeable in the urban areas: The following table shows the position of Kabul city in this respect:

Table 1: Number of Vehicles in Kabul

Vehicles	1336	1340	1343	1346
Lorris	6.355	7.744	15.308	15.476
Cars	3.681	5.911	27.556	29.152
Busses	465	1.064	2.238	2.295

Development of air transportation continued during the year 1346 with the equipping of Kabul airport, strengthening of the Ariana Afghan Airlines, construction of airfields in remote areas of the country and the purchase of small airplanes to link these areas with the main centers.

At present air transportation facilities are available at the airports of Kabul, Kandahar, Herat, Maimana, Mazar-e-Sharif, Kunduz, Jalalabad, Bost, Katawaz Faizabad, Bamian, Taluqan, Cheghcharan, Wakhan and Badakhshan. In view of these developments the number of passengers increased from 29.000 in 1341 to 57.000 in 1346. Similarly a noticeable increase took place in the air-lifting of cargo.

Tele-communications

Work on setting up of automatic telephone facilities in the main cities of the country, completion of the channel systems for increasing communication lines at various places and expansion of facilities for telecommunication contacts with foreign countries, has been started.

The number of telephones increased from 6929 in 1341 to 9575 in 1346. Installing of automatic telephones in the cities of Kabul, Herat and Mazar-e-Sharif continued.

Development activities in Transport and Communications

Construction and asphalting of Pul-e-Khumri-Mazar-e-Sharif-Sheberghan highway.

This highway passes through provinces with a total population of 3.2 million, of which some 90 percent are engaged in agriculture. The transportation of agricultural produce to the industrial and trade centers and to foreign markets, to be economically feasible, requires all weather roads. According to some estimates made, the volume of goods traffic on this highway during the next five years is likely to increase two and a half times. The present highway between Pul-i-Khumri-Sheberghan via Mazar-e-Sharif is 321 km. The new highway under construction will reduce the distance by 40 kms with consequent reduction in running costs by 30%. The expenditure for the construction of this highway was estimated at $25,250,000 and Afs. 581,000,000. The construction work began in the year 1342 and continued during 1346.

The Herat-Islam Qala highway completes the link between Iran and the principal trade centers of Afghanistan. Among its many advantages, this highway will facilitate trade between the two neighbouring countries. It will be interesting to note that this highway forms a part of the trans-Asiatic highway which connects Turkey with Singapore.

The construction of this highway, which is 124 km long and 5.52 meters wide, was completed as proposed to be completed in the Second Five Year Plan in three stages:

1. Preliminary survey
2. Final survey and preparation of maps
3. Construction and supervision

The work on the first stage, i.e. preliminary survey, started during 1343 and the final survey was also completed in the same year. Construction work began in 1345. The total expenditure on the project was estimated at $9,800,000 and Afs. 71,300,000. During 1346 construction work was in final stages.

Construction and asphalting of Kabul-Pule Alam-Gardez highway.

Construction work on this 130 km highway started during 1346. Total cost is estimated at $4.500.0000 plus Afs. 119.000.000. Construction continued during 1346. The first and second layers of asphalt were laid on about 40 km. of this highway.

Gurdez-Khost highway.

Construction work on this project was also carried out during 1346. Surfacing and paving at various points on this highway continued. During 1346. the expenditure on this project amounted to Afs. 8.000.000.

[illegible]

Construction of Laghman highway via Surkhakan bridge and Tegory.

The construction of Laghman highway and Surkhakan-Tegory bridge on this 18 km highway commenced in 1346. This bridge is 110 meters long. Total cost of the highway and bridge was estimated at $250.000 and Afs. 10,000,000.

In addition to the construction of afore-mentioned highways. work on survey and preliminary investigations for construction of Kunar Canyo. Hesark and Mazar-Tashguzar highways continued during the year 1346. A number of bridges such as the Chardara bridge in Kunduz. were under construction.

Second stage construction of Bagram airfield.

The construction of the airport of Bagram was planned to be completed in two stages. The first stage comprised of construction of runways. hangers etc. and was completed during the First Plan. Other items of work, such as extension of runways. side tract for airplanes. etc. were scheduled for the Third Plan. Now it is proposed to carry out this work in the Third Plan. Work continued on second stage during 1346.

Communications

1. Automatic telephone exchange for Kabul:

The purpose of building this exchange is to increase the number of automatic telephone lines in Kabul from 5000 to 13000. The additional 8000 lines will be distributed as follows:

Shersha Mina. Karte Seh. Dehbory and vicinities:	3000 lines
Share Nau. Qala-e-Fatahullah Khan and Karte Parwan:	3000 lines
Central areas of the city:	2000 lines

Expenditure on this project was estimated to be $2.300.000 plus Afs. 14.000.000. During the Second Plan some $1.600.000 and Afs. 8.100.000

were spent on this project.

Automatic telephone exchange for Mazar-e-Sharif:

This project is designed to meet the requirements of Mazar-e Sharif. Provided with enough scope for installation of equipment for future expansion, in the initial stages this exchange is proposed to serve through 1500 lines.

Automatic telephone exchange for Herat:

This exchange has also 1500 lines with scope for future expansion. Total expenditure has been estimated at Afs. 2,000,000 and $156,000. Work on this project continued during 1346. An amount of Afs. 1,586,000 was spent from Government budget during 1346.

In addition to above, during the year 1346 work on building up 4 automatic telephone exchanges and installation of channel system continued in Farah, Pule Khumri, Kunduz and Kandahar.

Vehicles

Data on motor transport for all provinces (excluding the province of Neemroz which contains few vehicles) were obtained for the first time for the year 1346. Such data are shown in the Table 2.

Table 2: Number of Motor-Vehicles by Province

Provinces		Lorries	Cars	Busses	Total
1	Orezgan	—	2	—	2
2	Badghis	—	16	—	16
3	Bamian	24	6	6	36
4	Badakshan	26	11	3	40
5	Baghlan	322	118	13	453
6	Balkh	607	364	27	998
7	Parwan	387	111	15	613
8	Paktia	253	24	69	346
9	Takhar	30	32	5	67
10	Jozjan	38	53	7	158
11	Zabul	41	6	13	60
12	Samangan	11	7	1	19
13	Ghazni	144	116	55	315
14	Ghor	3	4	—	7
15	Fariab	18	92	5	115
16	Farah	64	18	19	101

17.	Kandahar	768	1,112	234	2,114
18.	Kunduz	93	119	18	230
19.	Kabul	15,422	29,129	2,284	46,835
20.	Kapisa	76	12	26	114
21.	Kunar	6	12	26	44
22.	Laghman	2	16	10	28
23.	Logar	32	5	16	53
24.	Nangarhar	38	159	114	311
25.	Wardak	14	1	25	40
26.	Herat	200	360	48	608
27	Helmand	128	214	83	425
	Total	18,807	32,119	3,222	54,148

In accordance with the data obtained there were a total number of 54.1 thousand vehicles in the country in 1346. Of this total some 18.8 thousand or 34.8% were lorries. Also there were 32,000 motors cars forming 59% of all the vehicles, and 3.2 thousand or 5.9% busses. Table 3 below provides data on lorries by province.

Table 3: Lorries by Province

Groups of province by the number of lorries	Number of provinces	Number of lorries in these provinces
Unto 50 lorries	14	245
From 51 to 200 lorries	7	803
From 201 to 500 lorries	3	969
From 501 to 1000 lorries	2	1,375
More than 1000 lorries	1	15,422
Total	27	18,807

Source: Based on Table 1. above:

There are less than 200 lorries in each of 21 out of 27 provinces. The concentration of vehicles is basically in Kabul, with Kandahar and Balkh following.

The economic development of the nation and the existence of more paved highways ought to be matched by an increase in the number of lorries. Efforts are being exerted in this regard during the Third Economic Development Plan.

Social Services

I. Education

Officially the Third Five Year Plan of Afghanistan began in 1346 In reality its implementation was only partially completed, particularly in the education sector In view of the increased demand for educational facilities and in order to maintain the tempo of development, the Ministry of Education proposed its programme for the year 1346 within the framework of 1345 budget In spite of the budgetary level being as high as that of the year 1345. difficulties with respect to construction and supply of equipment could not be over come in 1346. Nevertheless, educational development proceded with the main aim of supplementing economic and social development and at the same time fulfilling the objectives for education as specified in the Constitution.

Primary Education

To cater to the growing needs of education for the age group for which education is compulsory, new primary schools in several parts of Kabul and in other provincial centers were opened. They include the following:

Approximately 102 new rural schools and 70 basic schools were established. Some 101 rural schools were raised to the size of two teachers and 24 schools were raised from the level of basic school. Also in view of the requirements of some regions for education, new schools were founded, in addition to those contemplated in the Plan. Included here is a rural school for Paktia province and a rural school for Kabul province, which were subsequently raised from one-teacher to two-teacher size, and also a rural school for Kunar province that was later raised to the level of basic school Rural schools totalled 1,290 in 1345, and increased to 1,663 in 1346. Of this total some 226 rural schools were included in the rural development plan and the growth was 25% compared to 1345.

Similarly the number of primary schools, including those connected with rural development were 723 in 1345, and increased to 850 at the end of 1346, or a growth of 17%. In this figure are included the 28 primary schools of the rural development project.

Buildings and equipment

Buildings:

Even though budgetary difficulties abounded in 1346, construction work on a number of schools progressed. Some examples are:

Kunduz province: Construction of Changal Bashee school was 75% completed and that of Bassoos Emam Saheb 45%.

Urozgan province: The work on constructing a women's school was 10% completed.

Parwan province: The construction work of the school in Shahr-e-Nau, Charikar and of the school in Totomdara was 30% completed.

Samangan province: Roofs of two blocks of the primary school have been constructed.

Nangarhar province: Construction work was 70% completed on the Balabagh primary school, 4% on the Siestan primary school, 10% for Key-e-Aziz Khan School, 5% of the building annexed to the Directorate of Education and 60% for the Charbagh School.

Gorat province: Construction of the building for Directorate of Education registered 20% progress.

Paktia province: Construction work of Janikhel School attained 95%.

Faryab province: Construction work progressed 75% at the Arah Khana School, 25% for Enjelad primary school and 25% on the buildings annexed to Setara.

Baghlan province: Construction work of school in the city of Baghlan has been 75 completed.

Herat province: Construction work was completed as follows:

Qalai Sayed Abad School	45%
Pashtun Zarghun School	80%
Qarabagh school	75%
Safay Uddin school	75%
Qalai Yadgar school	75%
and Annexes to Foshanj	80%

Helmand province: Construction work on a school in Kajaki has begun.

Equipment

Furniture and equipment required for the primary schools have been purchased.

The total amount allocated for this project is Afs 30 million. Of this amount Afs. 12.5 million for construction and Afs. 5 million for equipment was disbursed.

Secondary Education

The plan anticipated, construction of some 20 middle schools and five high schools. However, in view of the increasing number of students, four high schools and 10 middle schools were opened in 1346 in the provinces and the Capital were as follows:

Province	**Middle and High Schools**
Chakhansur	Farrukhy
Kunduz	Archy Middle in Khanabad Dist. Women's middle school of Khanabad
Kabul city	Amena Fedaurey Shahdukht Maryam
Kunars	Nengalam
Logar	Kutob Khail
Wardak	Takya Maidan Tangi Takya Middle
Helmand	Barja
Ghorat	Boys school of Shaikh Mohammad Saghery
Badghis	Qadess High school of Hanzala Badghisi
Ghazni	Sayeed Haji Alibaba High School Malestan Jahan Moleka Malestan middle and Jahan Malika high school.
	Gilan
Jozjan	Boys school of Agchai
Zabul	Baba Hatak
Baghlan	Industrial Sector of Baghlan
Badakhshan	Mir Faizullah Mir Faizullah middle school
Kabul	Khord Kabul
Faryab	Azrab

Paktia	Zolkot One middle school
Paktia	Lakah Wazeerak
Herat	Wazeer Fatehkhan
Balkh	Girls School at Dehdady
Parwan	Gulbahar
Samangan	Girls School of Masty Khulm
Kapisa	Mohamed Raqee Mir Masjedy Mir Masjedy High School
Kandahar	Aino
Nangarhar	Ghilzai Hessarak Malekyar Hatak and Faqrullah Ghilzai Middle Schol Faqrullah High School
Total	40

A noticeable increase has taken place in the number of schools Increase in the number of students is likewise significant when enrollment in 1346 is compared to 1345, as shown in the table below:

Table 1: Schools and Enrollment

Item	1345	1346	Percentage increase
Middle Schools	164	194	19
Students Enrollment	36,113	44,143	23
High Schools	42	51	21
Students Enrollment	7.712	10,254	33

Building construction and equipment
Buildings:

The allocation received under this project amounted to Afs 17 million and was utilized to complete unfinished construction.

Kapisa province:
Construction on the following schools was in progress:

	Percentage of construction work completed
Monamed Raqee School	100
Rukha Panjsher	70
Mir Masjedy	30
Anexe to the community school	37
Laghman province:	
Roshan high school annexe	100
Room for foreign teachers	100
Middle school of Qarghayee	35
Baghlan province:	

Construction work on a 16-classroom building of Pulekhumri was 10% completed.

Construction work on Mehri high school was 18% completed and construction of Ghoryan middle school, 50%.

Zabul province:

Construction of Shaikhmati school reached 95% and the building for Directorate of Education, 65%.

Helmand province:

Khaly school	75%
Boy and girls school of Girshk	80%
Kandahar province:	

Construction of laboratory for Ahmad Shah Baba high school achieved 80% and Spinboldak dormitory, 80%.

Kandahar province:

Construction of Sher Khan high school was 70% completed and the annexe, 5%

Urazgan province:

The first lever of the Directorate of Education is completed and construction work on Sayedal middle school is eighty percent finished.

Samangan province:

Construction of the middle school of Khulm is 20% complete.

Badghis province:
The high school building of Hanzala Badghisi is 25% finished.
Paktia province:

Approximately 95% of The Zermat school building has been constructed and the same percentage applies to construction of dormitory in Gardez.

Nangarhar province	Percentage
Akhdad school	80
Annex to Nangarhar high school	60
Malekyar Hatak and Faqrullah	60
Amel Khan Middle School	92

Equipment

Furniture for students and teachers, tapestry and other material have been purchased from the budget allocated for secondary school education. The allocation for this project amounted to Afs. 30 million, of which Afs 16.6 million was for construction purposes and Afs. 3 million for equipment.

Vocational Education

New schools opened in 1346 in vocational education were as follows:

1. Basic teachers' training in Gardez
2. Teachers' training in Balkh
3. Summer courses in Kandahar.

The summer of vocational schools increased from 58 to 60. Also the number of students enrolled increased from 13,107 to 13,616.

Buildings and equipment

Buildings

The new buildings, construction of which was started in 1346, have made some progress.

	Percentage of construction work completed
1 Charikar Teachers' training—Parwan province	5
2. School for teachers' training—Kunar prvoince	15
3. School of vocational arts—Kabul province	35

4. School of Agriculture—Helmand province	20
5. School of vocational arts—Farah province	5

A number of buildings, the construction of which was at various stages in 1345, progresed in 1346 work to the extent shown below:

Nangarhar Teachers' Training School	75
Najmul Madaress in Nangarhar	90
Teachers' Training School, Kunar Province	47
Mechanical School, Kandahar	60
Herat Teachers' Training School	47
Fakhrul Madaress in Herat	90
Teachers' Training in Paktia	30
Teachers' Training School in Balkh	54
Assadayya School	75
Zaher Shahee School in Faryab	90
Takharestan School in Kunduz	5
New building for Afghan Institute of Technology in Kabul city	75

The budget allocation for the aforementioned projects in 1346 amounted to Afs. 79,000,000. Of this an amount of Afs. 54,156,829 was for construction work and Afs. 13,142,687 for the supply of equipment such as steel beds, shelves for bedside, crockery and utensils furniture, blackboards, water tanks, steel desks and chairs meshes, steel chairs for dining rooms and equipment for workshops and laboratories ,etc.

Kabul University

A high rate of literacy among the masses as well as availability of trained technical personnel is a key factor in accelerating economic and social development. To this end, education, both at the school and college level, has been given a prominent position in the economic plans of the country. The statistics indicate that Kabul University achieved greater progress in 1346 compared to 1345. The number of men and women enrolled in the University of Kabul was 3,571 in 1343, and increased to 4,264 in 1346, or by 19.4%. Increase in enrollment was particularly noticed in faculties such as medicine and pharmacology, letters, agriculture, engineering, economics, industrial management institute, Polytechnic and teachers academy. Similarly the number of graduates from the University increased in 1346 by 38% as compared to 1345.

Table 2: Graduates of Kabul University

Faculty of College	1345	1346	Graduates increased by	% of
Medicine and Pharmacology	61	69	8	13
Law	104	104	—	—
Sciences	35	60	25	71
Letters	63	85	22	35
Religious Sciences	25	20	—5	—
Agriculture	27	37	10	37
Engineering	33	50	17	51
Economics	17	65	48	282
Education	43	63	20	44.5
Industrial Management	22	32	10	45
High Academy of Teachers	46	68	22	48
Total	474	653	177	38

From the above table it is evident that the bulk of growth in graduates occurred in science, engineering and economics.

Some achievements of Kabul University in 1346, as mentioned in the report submitted by the University for review and further allocation of financial resources are mentioned below.

Work on the tomb of Sayed Jamaluddin has been 40% completed.

Annex to Engineering Faculty

The plan and necessary charts for the annex to the engineering

Faculty were under preparation since 1343 and construction work was 40% completed in 1346.

The project for the construction of an observatory, its plan and design were prepared in association with the Observatory of the Federal Republic of Germany under an agreement of mutual cooperation. Necessary equipment and instruments for this observatory have been purchased.

During the year 1346 several small construction works such as bathrooms on the University campus and green houses were completed.

Construction work in the Medical Faculty of Nangarhar

With an allotment of Afs. 1,728,238 during 1346 for this project, some 28% of construction work relating to mechanical and electrical projects was completed.

Project for procurement of equipment for the Main Campus

Item No. 400 of the project represents the expenditure on the Central Departments and affiliated installations of the University of Kabul. During the year 1346, out of an allocation of Afs. 5,624,679 for this project, a sum of Afs. 5,158,619 was disbursed.

Polytechnic

The Polytechnic is located in the western part of Kabul city, in Spinkalai. It extends along the road going north which connects Silo-Karte Mamaurin with Qargha dam. The area of Polytechnic, including the gardens, covers about 60 hectares of land. Buildings for the following Faculties have been contemplated.

1. Architecture
2. Electricity and power
3. Geology and mineral survey
4. Petroleum and natural gas.

The following subjects are taught in the above Faculties:

1. Construction of factories and civil buildings.
2. Technology of hydro-power station and dams.
3. Road construction.
4. Laying network of power distribution to factories and cities.
5. Geological surveys and mineral exploration
6. Mining (exploitation of minerals).
7. Exploitation of petroleum and natural gas.
8. Technology of exploitation and purification of petroleum and natural gas.

The buildings of the Polytechnic are equipped with essential and modern facilities. These buildings are as follows:

Main building for class rooms and laboratory work

This is a 3-storey building, with two main lecture halls, each with a capacity of 200 students and 3 lecture rooms with each a capacity of 100 students. This building also contains a library, chemical and physical laboratories, examination halls, class rooms numbering 78, etc.

Laboratory building

The laboratory building is for students of both junior and senior classes. It contains one hundred laboratory rooms. In these laboratories the students receive specialized training and study courses. The presence of various precision instruments and equipment in the laboratories makes it possible for the students to receive technological training at various levels. The area of this building is 2.5 thousand meters. During 1346 the main structure of the building was completed.

Construction of Gymnasium

Conference and cinema halls on a college campus provide ample facilities for the students to assemble. These buildings can be used also for sports and tournaments with considerable advantage.

The gymnasium building under construction is also equipped with a large movie projector and a moveable stage, for stage shows, theatres and concerts. The plinth area of this building is 1330 meters and will be ready for use in Asad 1347.

Dining hall

The Dining hall is of a round shape housed in a two-storey build-dern equipment. It can provide food—hot or cold according to taste—to the students and teachers of the Polytechnic.

The dining hall is of a round shape housed in a two-storey building provided with under-ground rooms. Its plinth area is 2,290 meter, and the volume is 10,600 meters.

Dormitories for students

Five blocks of dormitories, each block 4-storey high with 90 rooms for accommodating 1,200 students, are being built. A block consists of several buildings.

Generally 240 students can be accommodated in a building. In front of the block a one-storey general purposes building has been constructed, which contains the following facilities:

Club, studyrooms, telephone booth, health center and barber, shoe-making and tailor shops.

The plinth area of the building is 6,300 meters and the total volume of these buildings is 61,800 cu. meters. At present only two blocks are being used. The remaining three blocks will be completed by Asad 1347.

All the buildings of the Polytechnic are equipped with the following facilities:

Hot and cold water supply and central heating system.
Ventilation and air--conditioning
Loudspeakers for important announcements
Internal telephone exchange system
Lines for radios
Loudspeakers for important announcements
Pipelines for compressed air and gas at important places.
Electric clocks and bells

Network on pipelines for for central heating and on laying cables has been finished.

Deep wells have been dug for the purpose of fresh water supply and irrigation. Work on pipelines from the wells to the reservoir at a distance of 3 kilometers capable of working at 706 atmospheric pressure has been completed. The pumping station at the reservoir is supplying water for all the buildings of the Polytechnic and for irrigation purposes at a pressure of 5 atmospheres.

The distribution of administrative and technical personnel, both Soviet and Afghans, engaged in this project is shown in the following table:

Table 3: Employment in Polytechnic Construction Project

Personnel	1344	1345	1346
Soviet experts	27	29	25
Afghan technicians including administrative personnel	572	1,156	2,073
Of which administrative personnel	156	156	156
Labour (from the Labour Corps and Militia)	600	800	1,200

Health

Public health deserves special attention in any planning programme and Afghanistan has been no exception to this rule. Considerable progress has been achieved in creating facilities to ensure availability of efficient medical services were further expanded in 1346 as shown in the following table:

Table 1: Measures of Medical Facilities

	1345	1346	Increase	Percent Increase
Hospitals	63	65	2	3.2
Doctors	627	582	55	10.4
Beds	2197	2232	35	1.6
Pharmacies	239	251	13	5.4
Laboratories	15	15	—	—
X-ray	16	16	—	—

Construction Activities

The construction of hospitals in Badakhshan province and Jaji area, which begun in 1341 and 1342, are 80 and 90 percent complete.

The construction of Baghlan, Sheberghan and Urozgan hospitals, which were started in 1341 and 1342, were completed in 1346.

Construction work on Ghorat hospital was started at the end of 1345. In 1346 construction was one-fifth complete.

Hospital for Urozgan: Construction work on this project commenced in 1345. Some 50% of the construction work was performed in 1346.

The construction of hospital in Takhar province commenced in the year 1345. Until now some 90% of the work on this project is complete.

Construction of hospital at Pul-e-Khumri has thus far progressed 90%.

The construction work of hospital at Neemroz (Chakhansoor) commenced in 1344. By now some 76% of this project is complete.

The Badghis hospital has been under construction since 1344 and 60% of it has been completed this year.

Construction work of Yakawlang hospital was started at the beginning of 1346 and some 28 percent of it has been completed.

Construction of hospital in Zabul was started in 1346. The reports on construction of block No. 1 show that 73% of work on the Polyclinic has been finished.

The construction of the project for health facilities for Kunar province was begun in 1345. Some 45% of it has been completed.

Construction work of the hospital for Samangan was started in 1345, and 45% of the work has been carried out.

In Kapisa, construction of the public health project was started in 1345 and only 5% of it has been completed thus far.

The construction work on Laghman hospital was started in 1345 and 35% of it has been completed.

The construction of a hospital at Khanabad commenced during 1345 and so far 35% of it has been completed.

During the year 1346 the construction work of the Secondary Health Center in Wardak province progressed 65%.

In order to prevent reoccurrence of malaria in the northern regions of Afghanistan (Baghlan), in 1346 the Ministry of Health, in cooperation with the residents of these areas, inaugurated eleven basic health centers, inspite of budget limitations and the shortage of doctors and other technical personnel. These centers are performing useful services for the people.

Owing to the increase in demand for beds, the Ministry of Health took steps to provide additional beds in the Maternity Hospital, Kabul, by constructing another building. This building is now in use.

To supplement the existing facilities, another building was constructed at Ave Seena hospital, adjoining the 100-bed old building. The new building has lecture rooms for the nursing school and some rooms for storage purposes.

A 15-bed hospital was put to use in Manzelbagh, Kandahar, in 1346, with a view to meet the demand for increased beds for patients from Kandahar province. Plans and design for a dental clinic and polyclinic have been prepared and site for construction has also been allotted.

Information and Culture

The Directorate General of Museums and Archaeology took steps for repairs of the eastern arch of Gazergahe Shareef in Herat province. It also completed the repairs of the Mosque of Khoja Abu Nasser-e-Parsa in Balkh. Repair work at the end of 1346 was at the following stages:

Repair work of arch of Gazergahe Shareef was 80% completed.

Repair of the Mosque Abu Nasser-e-Parsa was 50% completed. The amount spent on the above repairs was Afs. 500.000.

The Directorate of Museums has provided a number of rooms within the the precincts of the tomb of Sultan Abdul Razak in Ghazni for housing the valuable relics of Ghazni province to protect them from the weather. Also living quarters have been provided to accommodate the personnel and guards of the museum.

With the assistance of foreign archaeologists and Afghan experts more relics of historical value have been discovered. Excavation of the Hadda hills yielded valuable relics of considerable cultural and archaeological interest. These hills are being further examined.

The Directorate of Museums plans to establish new museums in such provinces as Kandahar, Herat and Mazar-e-Sharif.

Kabul Municipality

Survey Projects

The survey work on the road from Mohammad Jan Khan Avenue to Khair Khana Pass and on a branch of this road to Sera Meyasht has been done and maps are with the architects in charge of the construction work.

About sixty percent of survey work of the road from Mohammad Jan Avenue to Nakhas has been completed. Plans for markets have also been prepared.

The way for the first portion of Salang Avenue has been cleared and 50% of actual construction work is finished. The Asamayee Avenue has been extended up to Nakhas. The property at the proposed site of Esteqlal Park has been earmarked and evaluated by a special committee.

Asphalting projects

The second layer of asphalt was laid on a 1½ km length of the road leading to the airport.

Paving and gravel laying was done on a 1 km length of Dehnau road. It is now ready for asphalting.

Levelling and laying of sand layers on the area at Zendabanan near Chaman in front of Mumtaz Transport, and along the road in front of the Royal lounge, at a thickness of 11 cm and a length of 1½ km, was done.

Sand laying on the Tymony Avenue and opposite to Pamir Cinema was done on a length of 1 km of road.

One km of road was asphalted in the Shah Shaheed area.

Three km of road were asphalted and repaired in Dehbory and Deh Nau.

Paving and gravel laying was done on roads in Shah Shaheed area. Gravel was laid on a total length of 2 km Asamayee Avenue and on roads in Shahr-e-Nau and Tymony Avenue.

Filling of a ditch on the river bank along the road, which extends from Pule-Mahmood Khan to Microreon buildings was done for a distance of 3 km and a depth of 3 meters.

The ditch on the river bank along the highway from Pule Mahmood Khan towards Nangarhar was filled for a distance of 1½ km and a depth of 3 meters.

One km of road leading to the southern side of Shah Shaheed Tomb and the remaining roads of Deh Nau, Karte Char and Qalay Fatahullah Khan were sand laid and made ready for asphalting during 1347. The total area covered was about 200,000 meters.

The following activities are worthwhile mentioning:
At a number of places, cable was laid, these are:

1. On both sides of the road in the precincts of Dilkushah
2. Along the road from Dilkushah to Sherpur crossing.
3. In the precincts of Prime Ministry
4. In the precincts of Ministry of Interior

5. Karte Parwan

6. Eastern and western sides of Zaher Shahi Park
7. Temoreshahee Park
8. Paghman
9. Qargha

Water Supply Project

In 1346, a sum of $72,000 was allotted for the water supply network. Of this amount, payments were made in two equal instalments, one at the end of the second and one at the end of the fourth quarters, totalling $66,000 to the Gasho Company of Japan. These payments were made to cover the amortization payment to that company for the year 1346. The remaining $6,000 was utilized to purchase water pumps.

III Statistical Appendix

STATISTICAL APPENDIX TABLES

PUBLIC FINANCE

Domestic Revenues S-1
Foreign Loan & Grants S-2
Government Expenditures by Economic Classification S-3
Government Ordinary Expenditures by Ministry S-3
Government Development Expenditures by Ministry S-4
Ttotal Government Expenditures by Ministry S-4
Government Expenditures by Major Object, by Agency S-5

MONEY AND BANKING

Money Supply S-10
Counterparts of Money Supply S-1
Demand Deposits at Commercial Banks S-10
Time Deposits at Commercial Banks S-11
Banking System Credit Outstanding S-12
Government Position With Banking System S-12

PRICES S-12
National Price Index S-12
Annual Weighted Average Consumer Prices S-13

BALANCE OF PAYMENTS AND FOREIGN TRADE

Balance of Payments S-13
Foreign Trade S-15
Imports by Commodity Classification S-15
Imports by Commodity, Value S-15
Import by Country, Value S-16
Imports by Commodity, Quantity S-16
Exports by Commodity, Value S-16
Exports by Commodity, Quantity S-17
Official Foreign Exchange Disbursements S-17
Official Foreign Exchange Receipts S-17
Development in Foreign Exchange Position S-18

PRODUCTION SECTORS

AGRICULTURE

Area Under Cultivation S-18
Production of Major Crops S-18
Yield per Hectare S-18

Livestock Population S-19

INDUSTRY AND MINES

Factory Production S-19
Output of Mines S-19
Electric Power S-19

TRANSPORT AND COMMUNICATION

TRANSPORT

Motor Vehicles Registered in Kabul S-19
Activities of Ariana Afghan Airlines S-19

TELEPHONE

Telephone Service S-20
Switchboards S-20

TELEGRAPH SERVICE
RADIOS
SOCIO-ECONOMIC

EDUCATION

National Summary S-21
Provincial Summary S-21
Kabul University S-22

HEALTH

Hospitals and Health Facilities by Province S-23
Medical Institute Professional Personnel S-26
Contagious Disease Cases in Hospitals S-26
Campaign Against Tuberculosis S-26
Production of Vaccines S-26

EMPLOYMENT AND WAGES S-26
Personnel in Communication Sector
Average Annual Salary of Industrial Workers S-26
SPECIAL TABULATION ON POPULATION OF GREATER KABUL, 1344
S-28
Population and Households S-28
Marital Status S-29
Literacy S-29
Labor Force S-30

Sources for Data in Statistical Appendix

The sources employed for the basic data appearing in the Statistical Appendix are shown below, according to major subject.

Subject	**Source**
Public Finance	Ministry of Finance and Ministry of Planning
Money and Baking	Da Afghanistan Bank
Prices	Da Afghanistan Bank and Ministry of Planning
Blance of Payments and Foreign Trade	Ministry of Commerce, Da Afghanistan Bank and Ministry of Planning
Agriculture	Ministry of Agriculture and Ministry of Planning
Mines and Industry	Ministry of Mines and Industry and Ministry of Planning
Transport and communication	Ministry of Communication, Radio Afghanistan, Kabul Traffic Department and Ariana Afghan Airlines
Education	Ministry of Education
Health	Ministry of Health
Employment and Wages	Ministry of Communication, and Ministry of Planning

Signs

Date not available or category did not exist .... Blank space

Nil or zero .... Dash(—)

	1341	1342	1343	1344	1345	1346
			PUBLIC	FINANCE		
DOMESTIC REVENUES (Millions of Afghanis)						
Direct Taxes	319.9	375.5	447.8	575.0	602.8	417.0
Individual income	113.6	157.2	238.4	324.3	390.2	187.0
Corporate income	77.1	78.8	80.6	81.1	122.7	144.0
Real property	64.4	49.8	44.3	81.9	89.3	85.7
Personal property	83.0	89.7	84.5	87.6	0.6	0.1
Government enterprise income	-	-	-	-	-	-
Other	-	-	-	-	-	0.2
Indirect Taxes and Duties	1,127.1	1,712.3	1,917.4	2,175.5	2,645.0	2,644.2
Import duties	883.6	944.4	1,095.1	1,129.2	1,450.7	1,353.2
Export duties	74.7	76.7	80.1	139.3	167.1	169.1
Sales of consumer goods	71.6	90.3	197.6	92.3	80.2	52.7
Commercial transactions	89.0	592.5	529.5	804.3	934.3	886.5
Monopoly taxes	8.2	8.4	15.2	10.4	12.7	14.7
Fixed taxes on imports						162.0
Fixed taxes on exports						6.0
Other	-	-	-	-	-	-
Income, Sales of Property and Services	115.5	150.9	197.5	244.6	278.9	204.9
Sale of lands and buildings	44.7	58.9	105.8	101.9	122.2	10.2
Sale of natural resources	34.5	45.1	42.6	60.3	66.4	59.9
Sale of rights to exploit natural resources						0.1
Sale of mineral and agricultural products						50.6
Sale of goods and equipment by auction						23.0
Printing services and products	2.8	3.1	2.9	7.0	1.2	1.6
Communication services	31.4	41.3	42.5	48.8	52.4	53.4
Health services	1.8	1.9	2.4	4.7	5.0	5.5
Income from Licences, Fees and Fines	76.7	90.0	110.8	114.1	132.9	127.3
Vehicle licences	1.8	1.8	-	-	-	-
Identity documents	0.8	0.8	1.6	5.4	6.8	6.3
Court charges	26.7	27.8	38.3	45.3	52.4	50.9
Fines and penalties	2.5	2.5	2.4	3.7	3.0	4.9
Customs fines and penalties	8.4	23.8	10.5	10.3	13.2	10.3
Marriage licences and divorce	1.2	0.9	12.2	11.2	12.5	1.1
Transport and traffic	35.2	32.4	45.8	38.2	45.0	42.4
Business licences and permits	-	-	-	-	-	6.6
Licences, fees and fines not classified	-	-	-	-	-	4.8
Income from Use of State Property and Money	29.7	79.3	86.1	50.0	122.6	109.4
Rental of real estate	7.1	6.6	17.5	11.6	18.3	18.6
Rental of moveable property	13.9	22.7	8.4	9.8	7.6	2.7
Interest on bank deposits	1.8	0.1	0.2	0.2	0.3	0.2
Interest on loans	-	1.0	0.3	3.3	-	-
Investments in non-Government enterprises	6.5	48.1	59.4	24.9	96.0	54.7
Income from tolls						32.9
Other	0.4	0.8	0.3	0.4	0.2	0.3

	[illegible]	[illegible]	1343	1344	1345	1346
			[illegible]	[illegible]	Cont'd	
[illegible]						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	377.[illegible]	627.4
[illegible]	[illegible]	[illegible]	[illegible]	609.[illegible]	322.9	61[illegible].2
[illegible]				[illegible]	8.3	2.1
[illegible]						-
[illegible]	-	-	-	-	-	0.[illegible]
[illegible]		[illegible]	[illegible]	[illegible]	[illegible]	0.1
[illegible]		[illegible]	[illegible]	[illegible]	[illegible].5	0.1
[illegible]						[illegible].4
[illegible]		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]3.4
[illegible]			[illegible]	[illegible]	[illegible]	76.6
[illegible]			[illegible]	[illegible]	[illegible]	[illegible]
[illegible]				[illegible]	[illegible]	[illegible]
[illegible]			[illegible]	[illegible]	[illegible]	[illegible].5
[illegible]					[illegible]	4[illegible].1
[illegible]					[illegible]	4.9
[illegible]					[illegible]	[illegible].5
[illegible]					[illegible]	2[illegible].4
[illegible]			[illegible]	[illegible]	[illegible]	[illegible]
[illegible]			[illegible]	[illegible]	[illegible]	[illegible]
[illegible]					[illegible]	[illegible]
[illegible]				[illegible]	[illegible]	[illegible]
[illegible]						
All sources	[illegible]	[illegible]	[illegible]	[illegible].44	81.21	63.93
Loans	34.5[illegible]	[illegible]	[illegible]	[illegible]	71.8[illegible]	57.34
Grants	35.3[illegible]	37.40	[illegible]	21.0[illegible]	9.32	6.59

	1341	1342	1343	1344	1345	1346
	PUBLIC FINANCE [illegible]					
GOVERNMENT TOTAL EXPENDITURES (Millions of Afs)	2,296.0	3,345.2	4,180.5	4,[illegible]22.2	5,131.0	5,077.3
Ministry of Court	20.9	24.0	27.0	31.5	34.5	54.8
National Assembly	14.0	14.4	8.8	17.9	24.6	45.2
Senate	0.6	0.5	1.2	4.2	7.9	6.9
Prime Ministry	19.9	23.4	24.0	26.3	25.0	[illegible]
Foreign Affairs	84.6	66.0	70.2	[illegible]	74.9	74.6
Interior (Civil)	31.0	37.0	50.6	[illegible]	63.0	87.5
Interior (Police)	99.5	112.8	146.5	157.3	186.6	193.5
Justice	13.1	20.0	37.8	48.3	62.4	20.9
Finance (Debt Service)	257.6	543.4	378.7	286.4	474.4	664.9
Finance (Other)	132.0	206.4	195.8	340.[illegible]	338.[illegible]	[illegible]
Education	204.4	313.8	339.6	425.5	494.[illegible]	559.0
Health	65.2	75.1	89.0	96.9	[illegible]	113.9
Communication	42.0	49.5	67.2	71.2	80.1	61.8
Public Works	844.2	981.5	925.8	493.5	445.9	341.0
Agriculture	77.0	106.3	100.0	140.4	182.1	372.0
Mines & Industries	408.9	492.1	490.3	701.5	636.5	498.6
Planning	10.0	20.2	22.0	22.5	25.4	27.0
Press & Information	33.9	124.3	69.5	50.8	55.1	36.2
Commerce	8.1	14.6	12.1	13.7	16.7	14.2
Tribal Affairs	20.8	24.8	26.3	26.7	23.8	31.6
Kabul University	81.1	93.5	76.6	63.9	78.7	139.8
Health Institutions	25.6	35.6	31.5	34.4	34.1	-
Faculty of Medicine	10.6	12.6	13.9	12.8	12.9	-
Olympics Department	2.1	2.7	2.9	1.8	[illegible]	6.0
Civil Aviation	60.1	30.8	40.9	45.6	43.4	68.8
General Transport	3.7	13.7	6.6	7.5	[illegible]	7.2
Helmand Valley	107.3	124.3	89.7	65.0	81.4	84.6
Rural Department	14.3	20.0	19.0	21.2	-	-
Cartography	9.7	8.9	7.6	6.8	-	-
Land Reclamation and Settlement	-	-	-	-	23.1	23.9
Polytechnic	-	-	16.6	47.4	64.[illegible]	86.9
Said Noor Mohd Shah Project	-	-	-	-	[illegible].2	11.2
Paktia Department	-	-	-	[illegible]	[illegible]	33.4
Nangarhar Valley	-	-	-	[illegible]6.5	250.4	[illegible]
Water and Soil	-	7.1	15.1	[illegible]	[illegible]	-
Administrative Unit of Food Supply	-	-	-	-	-	-
Supreme Court	-	-	-	-	-	[illegible]
Other	593.6	646.0	778.0	88[illegible]	[illegible]8.5	[illegible]
GOVERNMENT ORDINARY EXPENDITURES (Millions of Afs)	1,849.6	2,415.5	2,558.4	2,[illegible]	3,40[illegible]	3,637.6
Ministry of Court	20.9	24.0	27.0	31.5	34.5	54.8
National Assembly	14.0	14.4	8.8	17.9	24.6	[illegible]
Senate	0.6	0.6	1.2	4.2	7.9	[illegible]
Prime Ministry	19.9	23.4	24.0	26.3	25.0	31.2
Foreign Affairs	84.6	66.0	70.2	77.1	74.9	74.6
Interior (Civil)	31.0	37.0	50.6	56.4	63.1	62.9
Interior (Police)	99.5	112.5	146.5	157.3	186.6	189.2
Justice	13.1	20.0	37.8	48.3	62.4	20.9
Finance (Debt Service)	257.6	543.4	378.7	286.4	474.4	664.9
Finance (Other)	126.8	165.6	[illegible]	324.8	313.2	170.4
Education	167.1	232.9	300.5	382.3	392.0	447.9
Health	47.7	62.2	75.7	84.3	92.6	102.4

	1341	1342	1343	1344	1345	1346
			PUBLIC	FINANCE	Cont'd	
Communication	33.1	41.6	47.7	48.1	47.2	47.2
Public Works	53.1	58.0	76.6	123.3	121.0	106.4
Agriculture	44.6	50.2	48.9	45.6	47.6	37.1
Mines & Industries	41.5	50.1	45.1	56.1	50.5	72.3
Planning	10.0	20.2	22.0	22.5	25.4	27.0
Press & Information	23.7	39.7	33.4	28.0	44.6	33.9
Commerce	8.1	14.4	11.8	13.7	12.8	12.7
Tribal Affairs	20.8	24.8	26.3	26.7	23.8	31.6
Kabul University	39.1	59.0	67.0	69.7	68.0	121.4
Health Institutions	24.8	27.7	30.9	32.1	31.5	-
Faculty of Medicine	9.3	10.6	11.7	11.6	11.3	-
Olympics Department	2.1	2.7	2.9	1.8	6.1	6.0
Civil Aviation	16.0	24.1	33.2	35.5	38.9	49.3
General Transport	3.7	13.7	6.6	7.5	7.9	7.2
Helmand Valley	37.3	34.1	35.1	29.9	30.6	26.6
Rural Department	-	-	-	-	-	-
Cartography	6.3	5.9	6.7	6.1	-	-
Land Reclamation & Settlement	-	-	-	-	11.5	11.2
Polytechnic	-	-	-	-	4.5	-
Said Noor Mohd Shah Project	-	-	-	-	-	-
Paktia Department	-	-	-	-	-	-
Nangarhar Valley	-	-	-	-	-	-
Water and Soil	-	0.5	3.7	2.4	-	-
Administrative Unit of Food Supply	-	-	-	-	-	-
Supreme Court	-	-	-	-	-	37.9
Other	593.6	646.0	778.0	886.1	1,098.5	1,179.7
GOVERNMENT DEVELOPMENT EXPENDITURES (Millions of Afs)	1,446.4	1,829.7	1,622.1	1,720.1	1,727.8	1,439.5 /1
Ministry of Court	-	-	-	-	-	-
National Assembly	-	-	-	-	-	-
Senate	-	-	-	-	-	-
Prime Ministry	0.5	-	-	-	-	-
Foreign Affairs	-	-	-	-	-	-
Interior (Civil)	-	-	-	1.3	45.8	44.9
Interior (Police)	-	-	-	-	-	4.1
Justice	-	-	-	-	-	-
Finance (Debt Service)	-	-	-	-	-	-
Finance (Other)	5.2	50.8	44.6	65.8	25.2	10.8
Education	37.3	80.9	39.1	76.3	102.3	108.1
Health	17.5	12.9	13.3	12.6	18.8	11.4
Communication	8.9	7.9	19.5	23.1	32.8	17.6
Public Works	791.1	923.7	850.2	370.2	325.0	234.6
Agriculture	32.4	56.0	61.1	74.8	134.6	334.9
Mines & Industries	367.3	442.0	445.2	645.4	586.0	426.3
Planning	-	-	-	-	-	-
Press & Information	10.2	84.6	36.1	22.8	10.5	2.2
Commerce	-	0.2	0.3	-	3.8	1.5
Tribal Affairs	-	-	-	-	-	-
Kabul University	42.0	34.4	9.6	4.2	20.7	18.4
Health Institutions	0.8	7.8	0.6	2.4	2.6	-
Faculty of Medicine	1.3	2.0	2.2	1.2	1.6	-
Olympics Department	-	-	-	-	-	-
Civil Aviation	44.1	6.7	7.8	10.1	4.5	19.5
General Transport	-	-	-	-	-	-
Helmand Valley	70.0	90.3	54.6	35.2	50.8	58.0
Rural Department	14.3	20.0	19.0	21.2	-	-

/1 Data for development expenditures by agency are preliminary and subject to change. The chapter on Public Finance contains higher figures, but these are estimates, while the data shown in this table are based on some official Ministry of Finance early reports available at time of printing, which in some cases, are for less than twelve months.

	1341	1342	1343	1344	1345	1346
			PUBLIC	FINANCE	Cont'd	
Cartography	3.8	3.0	0.9	0.7	-	-
Land Reclamation and Settlement	-	-	-	-	11.5	18.7
Polytechnic	-	-	16.7	47.4	63.7	86.9
Said Noor Mohd Shah Project	-	-	-	-	17.9	11.9
Paktia Department	-	-	-	3.3	30.0	33.4
Nangarhar Valley	-	-	-	366.5	360.4	-
Water and Soil	-	6.6	11.5	35.6	-	-
Administrative Unit of Food Supply	-	-	-	-	-	-
Supreme Court	-	-	-	-	-	-
Other	-	-	-	-	-	3.0

EXPENDITURE BY AGENCY AND MAJOR OBJECT – ORDINARY AND DEVELOPMENT (Millions of Afs)

	1341	1342	1343	1344	1345	1346
Personal Services	514.9	1,108.8	1,374.4	1,437.8	1,400.7	1,368.6
Ministry of Court	6.0	7.0	9.3	9.0	8.9	9.3
National Assembly	10.0	11.7	7.9	12.4	22.7	20.8
Senate	0.4	0.5	0.6	2.7	6.3	5.2
Prime Ministry	15.1	17.6	19.0	17.9	19.1	19.1
Foreign Affairs	18.5	26.3	32.3	35.0	34.4	35.0
Interior (Civil)	20.0	25.1	36.2	39.5	57.0	56.2
Interior (Police)	58.6	71.3	105.3	111.4	114.1	119.9
Justice	10.5	14.6	24.9	36.0	39.8	1.5
Finance	39.5	52.8	74.2	73.3	61.5	59.8
Education	110.4	146.5	216.9	254.6	272.1	315.6
Health	15.4	24.8	38.3	40.9	42.1	42.3
Communication	20.1	24.5	32.6	33.6	36.1	35.5
Public Works	25.3	326.1	353.4	191.1	154.2	122.3
Agriculture	35.1	40.3	50.1	68.4	65.3	144.2
Mines and Industries	15.7	148.2	183.9	254.7	213.7	160.6
Planning	2.1	2.4	6.3	3.2	5.3	4.5
Commerce	5.4	7.7	8.5	9.4	9.3	9.2
Press and Information	8.4	9.7	13.3	14.2	20.6	20.2
Tribal Affairs	17.0	21.2	21.6	22.5	18.7	17.3
Kabul University	20.3	31.2	38.9	36.4	37.8	52.5
Health Institute	8.2	9.6	13.0	12.8	14.7	-
Faculty of Medicine	[illegible]	7.1	8.3	8.8	8.0	-
Olympic Department	0.5	0.7	0.9	0.9	1.2	2.0
Civil Aviation	0.9	1.45	22.8	23.6	25.1	29.0
General Transport	2.3	3.7	4.9	5.1	5.2	5.4
Helmand Valley	20.2	45.5	29.8	26.9	23.0	22.8
Rural Department	7.9	10.2	12.2	14.9	-	-
Cartography	2.4	3.0	4.4	4.4	-	-
Water and Soil Survey	-	1.3	4.8	6.8	-	-
Polytechnic	-	-	-	-	0.4	-
Paktia Department	-	-	-	1.0	3.4	5.8
Nangarhar Valley	-	-	-	76.0	73.8	-
Land Reclamation and Settlement	-	-	-	-	14.4	15.7
Said Noor Mohd Shah Project	-	-	-	-	-	-
Supreme Court	-	-	-	-	-	26.9
Other Services	[illegible]	325.2	304.1	337.3	288.2	341.3
Ministry of Court	5.1	5.8	5.7	9.4	9.3	11.5
National Assembly	1.3	1.6	0.7	1.7	1.0	3.9
Senate	-	-	-	0.1	0.2	0.2
Prime Ministry	0.7	1.7	1.0	3.0	2.3	7.9
Foreign Affairs	[illegible]	26.4	36.2	39.2	29.5	36.4
Interior Civil	1.6	2.4	2.1	2.6	4.9	5.2
Interior (Police)	3.5	5.0	4.0	4.6	4.7	4.6
Justice	0.3	0.7	3.7	4.5	3.6	1.4

PUBLIC FINANCE Cont'd

	1341	1342	1343	1344	1345	1346
Finance	6.5	18.9	11.4	11.6	8.6	9.1
Education	10.4	17.3	14.5	19.3	23.4	23.6
Health	8.4	10.9	6.5	8.3	8.5	7.7
Communication	6.8	11.2	8.8	9.3	12.5	9.6
Public Works	1.5	86.6	112.0	25.8	16.8	13.7
Agriculture	6.4	9.8	8.3	5.5	19.5	24.7
Mines and Industries	7.2	84.5	61.9	133.7	84.3	49.4
Planning	1.0	2.2	1.7	1.6	2.4	2.3
Commerce	1.4	2.2	2.4	3.0	3.0	3.0
Press and Information	5.1	5.8	8.5	7.3	12.8	6.1
Tribal Affairs	0.2	0.4	0.2	0.3	0.3	0.4
Kabul University	8.1	9.4	10.5	8.1	8.2	11.0
Health Institute	1.7	2.1	1.4	2.1	1.9	-
Faculty of Medicine	0.5	1.2	0.7	0.5	0.6	-
Olympics Department	0.9	0.9	1.2	0.3	2.1	2.7
Civil Aviation	2.1	3.7	3.4	3.2	3.8	5.9
General Transport	0.3	0.5	1.2	2.0	0.4	0.5
Helmand Valley	3.0	10.8	2.5	2.7	2.3	3.2
Rural Department	1.6	2.1	1.6	2.0	-	-
Cartography	0.5	0.7	0.5	0.3	-	-
Water and Soil Survey	-	0.2	1.6	3.6	-	-
Polytechnic	-		-	-	-	-
Paktia Province	-		-	0.6	2.2	2.3
Nangarhar Valley	-		-	21.3	16.2	-
Land Reclamation and Settlement	-		-		2.9	3.9
Said Noor Mohd Shah Project					-	-
Supreme Court	-	-	-	-	-	1.1
Material Supplies and Parts	216.6	844.5	833.2	857.5	920.4	799.4
Ministry of Court	8.8	9.1	9.8	11.9	13.5	30.6
National Assembly	0.3	0.3	0.1	0.4	0.5	0.4
Senate	-	-	-	0.3	0.4	0.4
Prime Ministry	2.0	2.4	2.6	4.2	3.2	2.6
Foreign Affairs	0.4	0.5	0.6	0.9	0.9	2.7
Interior (Civil)	6.2	6.4	7.6	8.3	14.9	9.1
Interior (Police)	30.4	33.0	31.6	36.3	61.5	58.6
Justice	1.9	1.9	4.2	5.4	3.5	2.7
Finance	12.5	18.5	41.3	15.5	21.7	21.9
Education	42.1	61.0	60.4	70.7	84.9	91.1
Health	14.0	19.0	16.4	14.7	20.4	29.9
Communications	3.1	5.4	14.7	23.2	26.4	61.2
Public Works	17.5	367.3	357.0	156.9	127.3	96.1
Agriculture	14.0	19.5	21.1	19.9	40.2	150.3
Mines and Industries	13.1	[illegible]	[illegible]	275.5	[illegible]	195.2
Planning	0.4	0.4	0.4	0.5	0.7	0.7
Commerce	0.4	0.5	0.7	0.7	0.3	0.7
Press and Information	1.1	3.0	2.1	2.5	3.2	2.8
Tribal Affairs	1.5	1.5	1.6	2.1	2.0	1.2
Kabul University	9.5	14.3	14.3	11.7	15.0	47.6
Health Institute	14.7	16.3	16.4	16.2	16.8	-
Faculty of Medicine	1.6	1.9	1.7	1.3	1.7	-
Olympics Department	0.5	0.9	0.8	0.5	2.7	1.2
Civil Aviation	4.6	5.1	6.4	7.1	3.1	11.1
General Transport	0.3	0.4	0.3	0.4	0.5	0.4
Helmand Valley	10.6	54.5	17.6	11.5	11.3	12.7
Rural Department	3.4	3.0	3.5	3.1	-	-
Cartography	1.8	1.7	1.4	1.2	-	-
Water and Soil Survey	-	0.5	2.6	5.2	-	---
Polytechnic	-	-	-	-	1.5	-
Paktia Province	-	-	-	0.2	2.2	4.9
Nangarhar Valley	-	-	-	155.4	156.6	-
Land Reclamation and Settlement	-	-	-	-	4.2	4.7
Said Noor Mohd Shah Project	-	-	-	-	-	-
Supreme Court	-	-	-	-	-	3.5
Equipment	439.7	189.0	111.3	97.0	100.6	136.0
Ministry of Court	1.0	2.1	2.1	1.0	2.8	3.3
National Assembly	1.3	0.5	0.1	-	0.4	0.2
Senate	0.1	-	0.6	1.2	[illegible]	-
Prime Ministry	1.9	1.6	1.0	0.9	0.2	1.1
Foreign Affairs	2.9	6.8	3.0	4.4	3.1	4.4

PUBLIC FINANCE Cont'd

	1341	1342	1343	1344	1345	1346
Interior (Civil)	3.1	3.8	4.5	4.6	11.3	[illegible]
Interior (Police)	6.8	2.7	3.2	3.0	[illegible]	[illegible]
Justice	0.2	[illegible]	4.8	3.0	[illegible]	[illegible]
Finance	4.7	3.9	1.3	7.2	3.2	2.1
Education	5.9	15.3	10.7	10.9	14.7	22.0
Health	4.8	3.3	2.5	0.9	2.5	0.1
Communications	11.3	7.6	10.7	4.5	4.2	2.1
Public Works	0.2	16.9	8.0	6.3	2.3	2.5
Agriculture	9.8	15.1	8.5	9.7	22.1	11.3
Mines and Industries	368.6	69.8	30.3	20.2	10.8	38.0
Planning	0.4	1.0	0.9	0.3	0.4	0.1
Commerce	0.3	1.5	0.4	0.3	0.5	0.3
Press and Information	-	[illegible]	1.2	0.5	1.2	2.2
Tribal Affairs	0.6	0.5	0.9	0.4	0.5	[illegible]
Kabul University	5.0	6.0	[illegible]	1.3	2.6	[illegible]
Health Institute	0.5	[illegible]	[illegible]	2.2	[illegible]	-
Faculty of Medicine	1.6	2.0	[illegible]	1.2	[illegible]	-
Olympics Department	0.1	0.1	-	[illegible]	-	0.1
Civil Aviation	0.5	1.8	[illegible]	[illegible]	[illegible]	19.6
General Transport	0.1	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Helmand Valley	0.6	6.1	[illegible]	[illegible]	1.0	[illegible]
Rural Development	[illegible]	[illegible]	[illegible]	[illegible]	-	
Cartography	0.8	[illegible]	0.2	[illegible]	-	
Water and Soil Survey	-	[illegible]	0.6	[illegible]	-	-
Polytechnic	-	-	-		[illegible]	-
Paktia Province	-	-	-	[illegible]	[illegible]	0.3
Nangarhar Valley	-		-	[illegible]	[illegible]	-
Land Reclamation and Settlement	-		-	-	[illegible]	[illegible]
Said Noor Mohd Shah Project			-	-		-
Supreme Court	-	-		-	-	-
Property	1,070.6	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Ministry of Court	-	-	-	-	[illegible]	
National Assembly	[illegible]	0.4	-	[illegible]	-	[illegible]
Senate	[illegible]	-	-	-	[illegible]	-
Prime Ministry	-	-	-	-	-	-
Foreign Affairs	46.1	2.0	3.2	3.1	2.1	[illegible]
Interior (Civil)	-	0.1	0.2	0.2	10.5	12.4
Interior (Police)	1.2	0.5	1.2	0.8	0.3	4.6
Justice	-	-	-	-	1.3	-
Finance	4.6	50.7	42.9	63.8	41.2	[illegible]
Education	31.8	68.5	28.4	65.8	[illegible]	[illegible]
Health	12.7	9.6	10.7	17.7	[illegible]	[illegible]
Communications	-	0.2	-	-	0.3	0.3
Public Works	795.6	214.5	66.8	53.2	41.0	55.7
Agriculture	[illegible]	22.3	10.6	15.4	22.5	38.4
Mines and Industries	2.9	2.5	13.8	14.5	15.2	20.5
Planning	-	-	-	-	-	-
Commerce	-	-	-	-	-	0.1
Press and Information	9.5	82.5	35.0	22.5	10.2	2.2
Tribal Affairs	1.1	0.7	1.5	[illegible]	1.3	3.0
Kabul University	37.0	29.1	2.5	2.8	18.0	13.2
Health Institute	-	0.8	-	1.1	0.5	-
Faculty of Medicine	-	-	-	-	-	-
Olympics Department	-	-		-	-	-
Civil Aviation	40.8	5.3	6.3	8.9	[illegible]	[illegible]
General Transport	0.1	0.1	-	-	1.5	-
Helmand Valley	66.6	1.7	36.2	21.9	38.2	39.5
Rural Development	0.5	1.8	0.4	0.5	-	-
Cartography	4.1	1.8	0.8	[illegible]	-	-
Water and Soil Survey	-	3.0	3.7	7.6	-	-
Polytechnic	-	-	16.6	47.4	63.7	86.9
Paktia Province	-	-	-	-	11.3	20.0
Nangarhar Valley	-	-	-	2.5	3.8	-
Land Reclamation and Settlement	-	-	-	-	0.3	-
Said Noor Mohd Shah Project	-	-	-	-	17.2	11.2
Supreme Court	-	-	-	-	-	-

	1341	1342	1343	1344	1345	1346
			PUBLIC	FINANCE	Cont'd	
Debt Retirement and Interest	257.5	543.4	392.0	290.8	536.[illegible]	676.2
Ministry of Court	-	-		-	-	-
National Assembly	-	-	-	-	-	-
Senate	-	-	-	-	-	-
Prime Ministry	-	-	-	-	-	-
Foreign Affairs	-		-	-	-	-
Interior (Civil)	-	-	-	-	-	-
Interior (Police)	-	-	-	-	-	-
Justice	-	-	-	-	-	-
Finance	257.6	543.4	382.4	289.4	477.8	666.3
Education	-	-	-	-	-	-
Health	-	-	-	-	-	-
Communications	-	-	-	-	-	-
Public Works	-	-	8.2	-	22.5	-
Agriculture	-	-	0.2	0.5	0.5	-
Mines and Industries	-	-	1.2	0.9	35.5	10.0
Planning	-	-	-	-	-	-
Commerce	-	-	-	-	-	-
Press and Information	-	-			-	-
Tribal Affairs		-	-		-	-
Kabul University	-	-	-	-	-	-
Health Institute	-	-	-		-	-
Faculty of Medicine	-	-	-		-	-
Olympics Department	-	-	-	-		-
Civil Aviation	-	-	-			-
General Transport	-	-				-
Helmand Valley	-	-	-	-	-	-
Rural Development	-	-	-		-	-
Cartography	-	-	-	-	-	-
Water and Soil Survey	-	-	-		-	-
Polytechnic	-	-	-	-		-
Paktia Province	-	-				-
Nangarhar Valley	-	-	-			-
Land Reclamation and Settlement	-	-	-	-		
Said Noor Mohd Shah Project	-	-	-			-
Supreme Court	-	-	-		-	-
Subsidies, Grants, Contributions and Pensions	63.0	11[illegible].6	[illegible]	355.1	[illegible]	217.6
Ministry of Court	-	-	-	-	-	
National Assembly	-	-	-	-	-	
Senate	-	-	-	-	-	-
Prime Ministry	-	-	-	-		-
Foreign Affairs	1.1	3.3	[illegible]	[illegible]	[illegible]	4.1
Interior (Civil)	0.1	0.1	-	[illegible]	[illegible]	0.3
Interior (Police)	0.7	1.0	[illegible]	2.3	[illegible]	3.7
Justice	-	[illegible]	-	[illegible]	[illegible]	0.2
Finance	29.8	54.5	[illegible]	[illegible]	[illegible]	67.3
Education	2.9	4.4	7.6	[illegible]	[illegible]	12.6
Health	6.[illegible]	7.[illegible]	14.2	[illegible]	[illegible]	28.9
Communications	0.7	[illegible]	0.2	[illegible]	[illegible]	0.6
Public Works	-	2.1	[illegible]	[illegible]	[illegible]	12.6
Agriculture	0.2	0.7	1.1	[illegible]	[illegible]	2.4
Mines and Industries	1.3	3.[illegible]	2.7	1.7	[illegible]	25.2
Planning	6.1	14.1	12.8	[illegible]	[illegible]	19.6
Commerce	-	-	-	[illegible]	3.2	0.9
Press and Information	8.5	18.3	9.3	[illegible]	[illegible]	2.9
Tribal Affairs	0.4	0.3	0.5	0.4	0.4	0.4
Kabul University	1.4	2.2	3.0	3.[illegible]	1.[illegible]	4.6
Health Institute	-	-	-		-	-
Faculty of Medicine	0.6	0.9	1.0	0.4	0.9	-
Olympics Department	-	-	-			0.1
Civil Aviation	2.2	0.3	0.6	1.1	0.9	1.0
General Transport	-	0.1	0.1	-	0.2	-
Helmand Valley	0.1	-	0.1	[illegible]	[illegible]	0.1
Rural Development	[illegible]	0.1	0.1	0.2	-	-
Cartography	0.1	0.3	0.2	0.2		-
Water and Soil Survey	-	1.0	[illegible]	12.8	-	-
Polytechnic	-	-	-	-	[illegible]	-
Paktia Province	-	-	-	-		-
Nangarhar Valley	-	-	-	-		-
Land Reclamation and Settlement	-	-	-	-	-	0.2
Said Noor Mohd Shah Project	-	-	-	-	-	-
Supreme Court	-	-	-	-	-	-

	1341	1342	1343	1344	1345	1346
			PUBLIC	FINANCE	Cont'd	
Contributions to Indigent Employees	[illegible]	6.0	5.3	12.6	5.2	19.6
Ministry of Court	-	0.1	0.1	0.1	-	0.3
National Assembly	-	-	-	-	-	-
Senate	-	-	-	-	-	0.1
Prime Ministry	0.3	0.2	0.3	0.2	0.3	0.6
Foreign Affairs	0.2	-	-	-	0.1	0.1
Interior (Civil)	0.1	0.1	0.1	-	0.2	0.4
Interior (Police)	0.3	0.3	0.3	-	-	0.4
Justice	0.1	0.2	0.2	0.1	0.2	0.3
Finance	34.2	1.0	1.1	8.4	0.9	1.8
Education	1.1	1.9	1.1	1.2	1.5	6.7
Health	0.1	-	0.2	0.5	0.3	0.4
Communications	0.1	-	0.1	0.1	0.1	0.7
Public Works	0.1	-	-	0.1	0.2	0.4
Agriculture	-	-	0.1	0.1	0.2	0.4
Mines and Industries	0.1	-	0.3	0.2	0.2	0.9
Planning	-	-	0.1	0.2	0.1	0.6
Commerce	-	-	0.1	0.1	-	0.2
Press and Information	1.3	1.3	0.2	0.3	0.3	0.7
Tribal Affairs	0.1	-	-	-	0.1	0.8
Kabul University	0.2	0.1	0.4	0.2	0.2	3.3
Health Institute	0.1	0.1	0.1	0.1	0.2	-
Faculty of Medicine	0.1	-	0.1	-	-	-
Olympics Department	-	-	-	-	-	-
Civil Aviation	-	0.6	0.1	0.7	0.1	0.4
General Transport	-	-	-	-	-	-
Helmand Valley	-	0.1	-	-	-	-
Rural Development	0.1	-	0.2	-	-	-
Cartography	0.1	-	0.1	-	-	-
Water and Soil Survey	-	-	-	-	-	-
Polytechnic	-	-	-	-	-	-
Paktia Province	-	-	-	-	-	-
Nangarhar Valley	-	-	-	-	-	-
Land Reclamation and Settlement	-	-	-	-	-	0.1
Said Noor Mohd Shah Project	-	-	-	-	-	-
Supreme Court	-	-	-	-	-	
Other	593.6	646.0	778.0	886.1	1,098.5	1,182.7

	1341	1342	1343	1344	1345	1346
	MONEY & BANKING					
MONEY SUPPLY (Millions of Afs)						
Total	3,747.0	4,597.8	5,465.4	5,556.4	5,476.5	5,554.
Banknotes and coins in circulation (43-45 including Govt notes)	3,134.2	3,849.6	4,780.6	4,738.1	4,717.8	4,800.
Banknotes in circulation	3,077.6	3,790.2	4,682.1	4,640.2	4,619.7	4,703.
Banknotes issued	4,249.7	4,549.8	5,414.1	5,503.9	5,503.9	5,499.6
Banknotes held	1,172.1	759.6	732.0	853.	884.2	796.4
Coins in circulation	56.6	59.4	94.2	93.6	93.8	97.7
Coins issued	83.7	100.9	123.3	123.3	123.3	123.
Coins held	27.1	41.5	29.1	29.7	29.5	25.
Private demand deposits	612.8	748.2	684.8	818.3	758.7	753.
Private sector	586.5	736.4	661.1	764.6	626.1	585.
Non-Bank financial institutions	26.3	11.8	23.7	53.7	132.6	168.
By Institutions						
Treasury						
Coins issued	83.7	100.9	123.3	123.3	123.3	123.
D'Afghanistan Bank						
Banknotes issued	4,249.7	4,549.8	5,414.1	5,503.9	5,503.9	5,499.6
Banknotes held	909.4	515.5	599.4	775.5	750.3	646.
Coins held	26.1	40.6	28.9	28.9	28.5	25.4
Private demand deposits	273.7	340.7	365.0	425.1	466.4	322.
Private sector	252.4	331.2	343.0	400.0	445.9	299.4
Non-Bank financial institutions	21.3	9.5	22.0	25.0	20.5	22.9
Bank Milli Afghan						
Banknotes held	103.4	137.5	69.3	38.4	40.2	58.1
Coins held	0.1	0.2	0.1	0.2	0.9	0.2
Private demand deposits	205.7	276.8	198.5	217.6	172.7	255.
Private sector	200.7	274.5	197.0	209.4	64.0	117.9
Non-Bank financial institutions	5.0	2.3	1.5	8.2	108.7	137.6
Pashtany Tejaraty Bank						
Banknotes held	63.7	106.7	63.3	49.8	93.7	91.4
Coins held	0.9	0.7	0.1	0.6	0.1	
Private demand deposits	133.4	130.7	121.3	175.6	119.6	175.9
Private sector	133.4	130.7	121.1	155.1	116.2	168.2
Non-Bank financial institutions	-	-	0.2	20.5	3.4	7.7
COUNTERPARTS OF MONEY SUPPLY (Millions of Afs)						
Credit to Govt sector	+1,001	+823	+1,091	+110	-280	+1,010
Credit to Private sector		+41	+248	+243	+91	-387
Time deposits (increase -)	+49	-85	-166	-334	-114	-3
Net foreign exchange assets	+51	-24	-246	+96	-129	-101
Other factors (net including errors and omissions)		-755	-927	-115	174	-519
DEMAND DEPOSITS AT THE BANKS (Payable in Afs) (Millions of Afs)						
Banking sector	1,874.5	2,081.0	1,665.1	1,921.7	1,886.8	1,967.0
Private sector	586.5	736.4	661.1	764.6	626.1	585.5
Government sector	489.9	618.2	304.7	311.4	222.8	315.8
Government enterprises	615.2	509.0	542.5	494.5	626.3	550.6
Other commercial banks	156.6	205.6	133.1	297.5	279.0	346.9
Non-Bank financial institutions	26.3	11.8	23.7	53.7	132.6	168.2
D'Afghanistan Bank:	1,458.6	1,626.1	1,305.0	1,510.9	1,468.1	1,465.4
Private sector	252.4	331.2	343.0	400.1	446.9	299.4
Government sector	485.0	609.3	303.7	308.7	217.2	306.9
Government enterprises	543.4	473.5	507.3	482.4	577.6	508.5
Other commercial banks	156.4	202.6	129.0	294.7	206.9	327.7

	1341	1342	1343	1344	1345	1346
			MONEY & BANKING Cont'd			
Banke Milli Afghan	234.9	299.6	215.9	227.3	251.8	286.9
Private sector	200.7	274.5	197.0	209.4	64.0	117.9
Government sector	1.8	2.9	0.2	0.1	-	-
Government enterprises	27.4	17.2	13.3	6.9	7.1	12.3
Other commercial banks	-	2.7	3.9	2.7	72.0	19.1
Non-bank financial institutions	5.0	2.3	1.5	8.2	108.7	137.6
Pashtany Tejaraty Bank	181.1	155.3	144.2	183.5	166.9	214.7
Private sector	133.4	130.7	121.1	155.1	116.2	168.2
Government sector	3.1	6.0	0.8	2.6	5.6	8.9
Government enterprises	44.4	18.3	21.9	5.2	41.6	29.8
Other commercial banks	0.2	0.3	0.2	0.1	0.1	0.1
Non-bank financial institutions	-	-	0.2	20.5	3.4	7.7
DEMAND DEPOSITS (Payable in foreign exchange)(Millions of Afs.)						
Banking sector	125.5	109.2	94.9	304.2	138.4	80.6
Private sector	52.2	42.7	40.6	118.3	48.0	17.8
Government sector	36.7	51.6	34.2	49.7	45.9	14.1
Government enterprises	20.0	12.1	15.8	24.6	[illegible]	31.3
Other commercial banks	0.7	2.7	4.2	26.1	20.8	17.4
Non-bank financial institutions	15.9	0.1	0.1	85.5	-	-
D'Afghanistan Bank	122.2	95.9	82.0	207.0	121.2	65.0
Private sector	49.7	31.0	30.2	23.9	[illegible]	5.3
Government sector	36.7	51.6	34.2	49.7	45.9	14.1
Government enterprises	19.2	10.5	13.3	21.8	[illegible]	28.2
Other commercial banks	0.7	2.7	4.2	26.1	[illegible]	17.4
Non-bank financial institutions	15.9	0.1	0.1	85.5	-	-
Pashtany Tejaraty Bank	3.3	13.3	12.9	97.2	17.2	15.6
Private sector	2.5	11.7	10.4	94.4	14.4	12.5
Government sector	-	-	-	-	-	-
Government enterprises	0.8	1.6	2.5	2.8	2.8	3.1
Other commercial banks	-	-	-	-	-	-
Non-bank financial institutions	-	-	-	-	-	-
TIME DEPOSITS AT THE BANKS (Millions of Afs)						
Banking sector	359.0	444.5	610.6	944.4	1,059.2	1,061.9
Private sector	166.9	165.6	396.0	746.7	611.8	527.1
Government sector	92.9	122.8	68.9	116.4	304.1	330.8
Government enterprises	96.8	144.9	117.4	55.8	50.0	90.8
Other commercial banks	2.4	1.1	1.0	1.1	0.8	0.7
Non-bank financial institutions	-	10.1	27.3	24.8	92.5	112.5
D'Afghanistan Bank	148.5	149.8	129.3	150.5	355.1	383.2
Private sector	84.1	43.7	41.3	66.2	65.2	63.6
Government sector	49.4	82.6	55.8	73.7	275.5	290.5
Government enterprises	12.6	22.2	31.0	9.5	13.6	28.3
Other commercial banks	2.4	1.1	1.0	1.1	0.8	0.7
Non-bank financial institutions	-	0.2	0.2	-	-	0.1
Banke Milli Afghan	46.4	63.0	181.4	348.0	252.0	245.3
Private sector	28.8	33.2	168.1	348.0	252.0	245.3
Government sector	1.4	0.2	-	-	-	-
Government enterprises	16.2	29.6	13.3	-	-	-
Other commercial banks	-	-	-	-	-	-
Non-bank financial institutions	-	-	-	-	-	-
Pashtany Tejaraty Bank	164.1	231.7	299.9	446.3	452.1	433.4
Private sector	54.0	88.7	186.6	332.5	294.6	218.2
Government sector	42.1	40.0	13.1	42.7	28.6	40.3
Government enterprises	68.0	93.1	73.1	46.3	36.4	62.5
Other commercial banks	-	-	-	-	-	-
Non-bank financial institutions	-	9.9	27.1	24.8	92.5	112.4

	1341	1342	1343	1344	1345	1346
			MONEY & BANKING Cont'd			
BANKING SYSTEM CREDIT OUTSTANDING (Millions of Afs)	3,662.0	5,804.0	5,865.0	6,217.5	6,028.5	6,651.6
To Government	1,549.0	3,650.0	3,463.0	3,572.5	3,292.5	4,302.6
To private sector	2,113.0	2,154.0	2,402.0	2,645.0	2,736.0	2,349.0
From D'Afghanistan Bank	2,113.0	998.0	985.0	1,007.0	1,028.0	584.0
From Commercial Banks		1,156.0	1,417.0	1,638.0	1,708.0	1,765.0
BANKNOTE BACKING (Millions of Afs)	984.4	2,256.3	2,350.0	2,265.6	2,272.7	2,184.4
Banknotes in circulation	3,776.6	3,790.2	4,682.1	4,640.2	4,619.7	4,703.2
Gold and silver present in bank treasures	979.4	2,251.3	2,345.0	2,260.6	2,267.7	2,182.4
Participating Funds (IFC)	5.0	5.0	5.0	5.0	5.0	5.0
Percentage of backing	31.9%	59.5%	50.2%	48.8%	49.2%	46.5%
GOVERNMENT POSITION WITH BANKING SYSTEM (Millions of Afs)						
Government						
Long-term loans		3,613.8	3,795.9	4,400.4	4,469.4	4,872.3
Short-term loans		984.7	554.1	-	-	539.7
Advances in Afghanis		271.1	252.4	305.1	342.0	303.6
Advances in foreign exchange		35.8	35.1	34.0	79.0	55.3
Treasury coins		121.1	123.3	123.3	123.3	123.3
- IMF accounts		187.5	187.5	187.5	187.5	187.5
Total		4,838.9	4,573.2	4,675.3	4,862.2	5,706.7
State Enterprises						
Loans		455.8	130.0	107.3	185.8	68.8
Advances in Afghanis		4.3	4.6	0.5	0.5	168.6
Advances in foreign exchange		17.7	10.7	9.4	9.4	9.4
Total		477.8	145.3	117.2	195.7	247.0
Total of Government and Government enterprises loans		5,316.7	4,718.5	4,792.5	5,021.9	5,953.7
Minus Government deposits in banking system 1/		1,666.7	1,255.5	1,220.0	1,729.4	1,651.1
Equals net Government sector position with banking system		3,650.0	3,463.0	3,572.5	3,292.5	4,302.6
			PRICES			
NATIONAL PRICE INDEX (1340=100)						
All Items Index	98.1	132.2	156.1	170.5	214.1	264.2
Cereal	95.7	143.5	173.4	186.5	246.7	336.0
Wheat flour (2nd Grade)	98.4	153.8	183.1	195.6	268.5	365.8
Corn meal	75.3	93.2	150.0	167.4	202.8	278.7
Rice (Long grain)	96.7	129.6	145.2	155.5	177.5	239.9
Meat	97.9	110.4	145.0	174.9	217.0	212.3
Mutton	97.3	109.9	145.3	179.8	216.9	211.2
Beef	100.3	112.6	144.0	156.1	217.6	216.4
Fruit	100.5	138.3	147.0	168.0	188.0	177.4
Grapes	116.9	158.9	141.0	167.3	179.5	150.3
Apricots	89.7	123.5	109.4	136.4	176.5	200.0
Red Rasins	94.5	132.0	190.0	202.8	187.8	182.7
Vegetables	103.6	127.9	138.7	144.6	157.4	155.8
Potato	76.5	107.8	128.4	113.7	132.8	171.6
Tomato	169.3	147.4	181.1	127.2	107.9	124.1
Onion	96.9	138.3	129.7	170.7	234.4	192.2
Eggplant	81.7	134.3	104.2	141.8	90.6	116.9
Carrots	96.5	112.9	151.8	170.6	216.5	169.4
Other food articles	107.4	106.9	129.9	141.0	151.5	151.7
Eggs	99.6	110.3	150.9	178.2	208.6	226.3
Salt	103.1	103.4	102.4	99.2	116.5	118.9
Sugar	101.1	100.5	136.9	137.8	138.9	138.2
Black Tea	121.5	117.8	112.7	140.6	158.7	155.0

1/ Includes counterpart funds, deposits in clearing account currencies and export taxes not yet credited in addition to time and demand deposits of Government and Government enterprises in the banks.

	Unit	1341	1342	1343	1344	1345	1346
				PRICES Cont'd			
Non-food Items		101.6	98.6	99.1	103.4	111.1	110.9
Cotton piece goods		90.9	89.4	87.9	90.1	100.0	99.2
Carpets and rugs		129.5	125.6	153.6	196.8	207.9	172.3
Soap		103.6	100.2	98.9	97.6	110.1	115.9
Electricity		144.4	144.4	161.1	166.7	138.9	116.7
Kerosine		112.2	106.4	103.6	108.5	114.6	117.4
Wood		94.8	100.0	112.1	127.6	144.8	146.6
Gasoline		100.9	98.5	104.9	108.4	108.9	111.4
ANNUAL WEIGHTED AVERAGE CONSUMER PRICES	Unit						
Cereal							
Wheat flour (2nd grade)	Seer	18.1	28.3	33.7	36.0	49.4	67.3
Cornmeal	"	13.4	16.6	26.7	29.8	36.1	49.6
Rice (Long grain)	"	47.3	63.4	71.0	77.5	86.8	117.3
Meat							
Mutton	"	110.5	124.9	165.1	204.3	246.4	239.9
Beef	"	69.9	78.5	100.4	108.8	151.7	150.8
Fruit							
Grapes	"	39.3	53.4	47.4	56.2	60.3	50.5
Apricots	"	31.3	43.1	38.2	47.6	61.6	69.8
Red Raisins	"	53.4	74.6	107.9	114.6	106.1	103.2
Vegetables							
Potatoes	"	15.6	22.0	26.2	23.2	27.1	35.0
Tomato	"	36.6	33.6	41.3	29.0	24.6	28.3
Onion	"	12.4	17.7	16.6	21.8	30.0	24.6
Eggplant	"	17.4	[illegible]	22.2	30.2	19.3	24.9
Carrots	"	8.2	9.6	12.9	[illegible]	18.4	14.4
Other food articles							
Eggs	100 pcs.	[illegible]	76.9	105.2	124.2	145.4	157.7
Salt	Seer	13.1	13.1	13.0	12.6	14.8	15.1
Sugar	"	82.6	52.1	111.9	112.6	113.5	112.9
Black Tea	"	555.6	567.7	543.2	677.5	764.9	747.1
Non-food items							
Cotton piece goods	Meter	12.0	11.8	11.6	11.9	13.2	13.1
Carpets and rugs	Sq. Meter	906.4	879.3	1,074.9	1,377.8	1,455.8	1,206.8
Soap	Seer	115.2	111.4	110.0	108.5	122.4	128.9
Electricity	KWH	2.6	2.6	2.9	3.0	2.5	2.1
Kerosine	Seer	[illegible]	73.5	72.2	75.6	79.9	81.8
Wood	"	5.5	5.8	6.5	7.4	8.4	8.5
Gasoline	Gallon	[illegible]	19.9	21.2	21.9	22.0	22.5
				BALANCE OF PAYMENTS & FOREIGN TRADE			
BALANCE OF PAYMENTS (Millions of US Dollars)							
Bilateral & Multilateral Zones							
Goods and Services							
Exports of goods and services				66.13	71.56	66.41	67.69
Merchandise Exports (f.o.b.)				63.24	68.66	63.75	65.63
Foreign Embassies Local Expenses				2.88	2.90	2.67	2.66
Imports of Commercial goods and services				[illegible]	-57.89	-68.05	-66.43
Merchandise Imports (c.i.f.)				-66.85	-56.51	-66.68	-65.13
Expenditure of Afghan diplomatic agencies abroad				-1.32	-1.37	-1.37	-1.29
Balance on commercial transactions				-2.65	13.67	-1.63	1.26
Foreign Aid goods and debt services				-79.36	-76.43	-86.23	-79.77
Import of project goods and services				-59.14	-56.34	-63.81	-62.00
Commodity Assistance imports				-15.38	-18.13	-20.27	-10.11
Foreign debt interest payments				-4.84	-1.96	-2.15	-7.66

BALANCE OF PAYMENTS & FOREIGN TRADE Cont'd

	1341	134[illegible]	1343	1344	1345	1346
Balance on goods and services			-81.41	-62.75	-87.86	-78.51
Capital Account						
Gross capital inflow			74.52	74.47	84.08	72.11
Development Loans and Grants			59.14	56.34	63.81	62.00
Commodity assistance			15.38	18.13	20.27	10.11
Gross capital outflow			-3.62	-3.79	-4.24	-3.62
Amortization on foreign debt			-3.62	-3.79	-4.24	-3.62
Balance on capital account			70.90	70.68	79.84	68.49
Net Receipts or Payments			-10.51	7.92	-8.02	-10.01
Errors and omissions			9.30	-2.59	-0.27	9.80
Foreign Exchange Asset Changes			-1.21	5.34	-8.29	-0.21
Bilateral Zone						
Goods and Services						
Exports of Goods and Services			27.87	20.39	26.29	25.97
Merchandise Exports (f.o.b.)			26.77	19.26	24.79	24.80
Foreign Embassies' local Expenses			1.10	1.13	1.50	1.17
Imports of Commercial Goods and Services			-23.99	-24.3	-28.57	-19.84
Merchandise Imports (c.i.f.)			-23.47	-23.7	-28.02	-19.35
Expenditures of Afghan Diplomatic Agencies abroad			-0.52	-0.55	-0.55	-0.49
Balance on commercial transactions			3.89	-3.91	-2.28	6.13
Foreign aid goods and debt services			-50.77	-43.08	-59.40	-57.58
Import of project goods and services			-45.18	-38.47	-54.73	-47.70
Commodity assistance imports			-2.55	-4.39	-4.51	-5.62
Foreign debt interest payments			-3.04	-0.22	-0.16	-4.26
Balance on goods and services			-46.88	-46.99	-61.68	-51.45
Capital Account						
Gross capital inflow			47.73	43.86	59.24	53.32
Development loans and grants			45.18	38.47	54.73	47.70
Commodity assistance			2.55	4.38	4.51	5.62
Gross capital outflow			-1.82	-1.90	-2.19	-1.34
Amortization on foreign debt			-1.82	-1.90	-2.19	-1.34
Balance on capital account			45.91	40.96	57.05	51.99
Net Receipts or Payments			-0.97	-6.03	-4.63	0.51
Errors and Omissions			2.59	8.79	3.49	-2.89
Foreign Exchange Asset Changes			1.62	2.76	-1.14	-2.38
Multilateral Zone						
Goods and Services						
Exports of Goods and Services			38.25	51.17	40.12	41.72
Merchandise Exports (FOB)			36.47	49.39	38.95	40.23
Foreign Embassies local expenses			1.78	-1.77	-1.17	1.49
Imports of commercial goods and services			-44.19	-33.58	-39.48	-46.58
Merchandise imports (c.i.f.)			-43.39	-32.76	-38.66	-45.78
Expenditures on Afghan diplomatic missions abroad			-0.80	-0.82	-0.82	0.80
Balance on commercial transactions			-5.93	17.58	0.64	-4.86

	1341	1342	1343	1344	1345	1346
	BALANCE OF PAYMENTS & FOREIGN TRADE Cont'd					
Foreign aid goods and debt services			-28.60	-33.36	-26.83	-23.20
Import of project goods and services			-13.96	-17.87	[illegible]	-14.30
Commodity assistance imports			-12.84	-13.74	-15.76	-4.50
Foreign debt and interest payments			-1.80	-1.74	-1.99	-3.40
Balance on goods and services			-34.53	-16.77	-26.19	-27.06
Capital Account						
Gross capital inflow			26.80	31.60	24.84	18.80
Development Loan and grants			13.96	17.87	9.08	14.30
Commodity assistance			12.84	13.74	15.76	4.50
Gross capital outflow			-1.80	-1.89	-2.05	-2.26
Amortization on foreign debt			-1.80	-1.89	-2.05	-2.26
Balance on capital account			25.00	29.72	22.79	16.54
Net Receipts or Payments			-9.53	13.95	-3.40	-10.52
Errors and Omissions			6.70	-11.37	-3.65	12.69
Foreign Exchange Asset Changes			-2.83	2.58	-7.05	2.17
FOREIGN TRADE (Millions of US dollars)						
Imports by Commodity Classification						
Total Imports of Commercial Goods 1/			78.9	66.8	74.7	74.2
I. Direct consumption totals			48.1	40.7	49.7	52.0
Non-durables			28.5	25.3	34.4	36.0
Food items			23.3	22.0	30.1	
Medicinal and pharmaceutical products			2.5	1.5	2.2	
Cleansers, perfumes, etc			0.8	0.9	1.3	
Others			1.8	0.8	0.8	
Semi-durable totals			11.3	10.5	9.6	9.4
Tyres and tubes			1.1	2.1	3.0	
Used clothing			2.1	1.4	1.0	
Others			8.1	7.0	5.6	
Durable goods totals			8.3	4.9	5.7	6.6
Sanitary, plumbing, heating and lighting fixtures			3.1	1.1	0.9	
Motor vehicles			2.3	1.4	1.2	
Others			2.9	2.4	3.6	
II. Others			30.5	26.0	25.0	22.2
Combustibles and lubricants totals			9.3	5.5	5.5	5.5
Petroleum and its products			7.5	4.3	4.4	
Others			1.8	1.2	1.1	
Primary and Secondary materials			14.2	12.9	12.3	12.7
Cotton fabrics			3.9	4.0	3.8	
Non-cotton fabrics			5.8	4.3	4.9	
Metals and machine parts			2.2	1.9	2.5	
Others			2.3	2.7	1.1	
Capital Goods			7.0	7.6	7.1	4.0
Non-electric machines			1.3	0.8	1.4	
Electric machines			2.0	1.9	2.5	
Other motor vehicles			1.1	2.6	1.9	
Others			2.6	2.3	1.3	
Imports by Commodity						
Total for Imports	115.91	124.52	141.41	130.00	150.79	138.32
Sugar	2.38	1.21	5.70	3.03	6.42	5.33
Tea	3.74	3.71	4.18	2.86	6.08	4.83
Other food items	0.53	0.73	0.50	0.86	1.74	2.19
Tobacco and tobacco manufactures	0.27	0.35	0.30	0.8	0.37	0.36
Petroleum products	5.70	5.52	7.49	4.33	4.38	5.36

1/ Imports in this section differ from the total in the balance of payments due to inclusion of some amount of commodity assistance imports which makes the former larger than the latter.

	1341	1342	1343	1344	1345	1346
	BALANCE OF PAYMENTS & FOREIGN TRADE Cont'd					
Medicinal and pharmaceurical products	1.29	2.12	2.55	1.51	2.39	2.54
Other chemical products	0.57	2.79	1.32	1.57	2.03	2.23
Rubber, tyres and tubes	2.50	2.93	1.12	2.10	3.04	3.82
Cotton fabrics	4.99	2.67	3.91	4.00	3.85	3.52
Fabrics excluding cotton	6.08	5.64	5.80	4.31	4.91	5.14
Other non-metalic mineral manufactures	1.28	5.19	4.43	3.45	4.06	6.95
Metals and metal manufactures	1.41	2.16	2.18	1.90	2.47	2.30
Machinery excluding electric	0.54	0.67	1.30	0.81	1.37	1.46
Electric machinery	1.16	1.36	2.00	1.94	2.48	2.02
Automobiles	1.19	2.12	2.30	1.42	1.16	1.23
Other road motor vehicles	0.91	1.81	1.06	2.64	1.91	1.29
Bicycles	0.13	0.28	0.51	0.24	0.30	0.40
Other transport equipment	1.16	1.20	1.00	1.05	1.16	1.86
Plumbing, heating, lighting equipment	0.66	0.75	3.10	1.09	0.86	1.06
Used clothing	1.06	1.55	2.06	1.40	1.00	2.18
Footwear	1.42	1.49	1.85	1.62	1.37	1.52
Other misc. manufactured articles	3.27	3.75	4.07	3.95	3.46	1.69
All other commodities	17.14	9.71	8.15	10.26	10.00	6.94
Total	59.38	60.71	66.88	55.52	66.71	66.21
Non-project loan and grant imports	4.96	12.31	15.38	18.13	23.37	10.11
Project loan and grant imports	51.57	51.50	59.15	56.35	60.71	62.00
Imports by Country						
Total for Imports	115.92	125.71	141.38	130.98	150.76	138.35
U.S.S.R.	21.19	16.05	18.98	18.15	22.53	17.36
U.S.A.	6.69	6.37	4.47	3.79	4.07	74.71
India	8.81	10.96	8.03	4.99	6.78	63.28
Japan	7.41	8.65	9.24	7.97	9.56	10.63
Pakistan	0.19	1.87	4.94	3.99	4.56	3.13
Germany	4.01	3.85	6.74	3.72	4.45	4.73
United Kingdom	1.42	1.96	2.08	2.91	3.20	3.59
Czechoslovakia	5.21	4.53	3.53	3.92	3.89	0.79
Other barter countries	0.80	1.29	0.86	1.65	2.59	1.93
Other countries	4.68	6.38	7.90	5.44	7.03	10.28
Total Imports	59.39	61.90	66.85	56.51	66.68	66.24
Loan and Grant Imports	56.53	63.81	74.52	74.47	84.08	72.11
Imports by Commodity (Quantity) (Unit)						
Sugar (tons)	19,992	10,607	35,895	25,775	69,754	57,029
Tea (tons)	5,799	5,464	6,275	4,961	11,023	7,489
Rubber, tyres and tubes (1,000 units)	122	206	166	188	310	379
Cotton fabrics (1,000 meters)	36,033	31,518	31,508	35,934	35,590	29,479
Fabrics excluding cotton (1000 meters)	30,881	22,076	24,391	19,998	21,976	20,598
Automobiles (number)	564	960	1,045	778	826	993
Other road motor vehicles (number)	224	555	385	775	374	851
Bicylces (number)	5,221	10,700	17,852	9,403	16,897	13,858
Footwear (1,000 pairs)	1,436	1,712	2,496	2,512	2,099	2,365
Exports by Commodity (Millions of US dollars)						
Total exports	58.89	68.99	70.68	69.97	69.63	61.63
Casings	1.25	1.72	1.60	1.17	1.45	1.28
Fresh fruit	1.70	2.89	5.72	6.13	7.24	14.89
Dried fruit and nuts	14.91	11.52	13.48	17.88	15.26	11.14
Fresh and dried vegetables	0.02	0.23	0.20	0.18	0.21	0.17
Oilseeds	2.17	3.45	3.55	4.49	1.02	0.9
Hides and skins	1.43	2.17	1.96	1.36	2.15	2.05
Karakul skins	11.93	16.83	12.45	16.05	11.76	14.26
Other fur skins	0.29	0.48	0.31	0.12	0.20	0.12
Wool	7.61	7.41	6.15	1.99	6.54	4.86
Raw cotton	8.43	12.64	14.93	11.13	14.29	7.86
Medicinal herbs	0.75	0.99	1.02	0.10	0.98	1/
Carpets and rugs	7.61	6.91	8.73	8.94	8.16	5.17
All other commodities	0.81	2.24	0.58	0.40	0.23	3.70 2/

1/ Included in all others
2/ Natural gas export included

	1341	1342	1343	1344	1345	1346
	BALANCE OF PAYMENTS & FOREIGN TRADE Cont'd					
Exports by Commodity (Quantity)(Unit)						
Casings (1000 coils)	2,121	2,770	2,548	2,074	2,472	2,104
Fresh fruit (metric tons)	11,593	20,093	46,027	41,613	72,708	76,307
Dried fruit and nuts (m. tons)	38,017	26,909	30,269	34,867	42,092	36,801
Fresh and dried vegetables (m. tons)	66	495	3,331	1,550	737	281
Oilseeds (m. tons)	14,350	23,427	19,222	53,486	7,836	4,121
Hides and skins (1000 skins)	1,452	2,231	1,940	1,299	1,869	1,863
Karakul skins (1000 skins)	1,727	2,211	1,540	1,604	1,378	1,903
Other fur skins (1000 skins)	603	852	504	207	378	25
Wool (m. tons)	6,363	5,719	4,573	1,617	6016	3,716
Raw cotton (m. tons)	11,375	17,118	21,043	15,903	20,246	10,660
Medicinal herbs (m.tons)	448	2,671	1,947	509	2,657	1/
Carpets and rugs (sq. meter)	439,600	396,304	532,391	647 077	434,428	303
Official Foreign Exchange Disbursements (Millions of US dollars)						
Totals for bilateral and multilateral	45.65	35.77	40.09	13.65	18.92	16.11
Government budget	10.97	9.69	9.06	5.78	7.16	5.34
Debt service	17.54	11.30	12.40	3.62	5.76	8.84
Monopolies	10.00	6.65	11.85		-	-
Ariana	1.01	1.13	1.06	-	-	[illegible]
Industries	2.77	4.87	5.77	0.31	[illegible]	[illegible]
PTB transit	1.04	-	.33	[illegible]	-	.18
Others	[illegible]	[illegible]	[illegible]	0.84	-	41
Totals for bilateral	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Government budget	[illegible]	[illegible]	[illegible]		[illegible]	[illegible]
Debt service	[illegible]	.80	[illegible]	-	[illegible]	[illegible]
Monopolies	8.59	7.34	10.65		-	-
PTB transit	1.04		0.33	[illegible]	-	[illegible]
Industries	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]
Others	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Totals for multilateral	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Government budget	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Debt service	5.42	3.49	3.99	3.62	[illegible]	4.54
Monopolies	1.41	1.34	1.20	-	-	
Ariana	1.01	1.13	1.06			
Industries	1.36	1.22	1.44			
Other	1.35	1.20	0.99	[illegible]	[illegible]	[illegible]
Official Foreign Exchange Receipts (Millions of US dollars)						
Totals for multilateral and bilateral	45.83	44.44	[illegible]	[illegible]	[illegible]	29.08
Karakul	14.82	15.83	10.45	15.17	11.68	8.44
Wool	10.98	6.09	6.28	[illegible]	6.38	5.91
Cotton	9.28	12.16	14.34	14.75	11.05	11.91
Other	10.35	10.36	7.51	9.15	10.86	2.92
Total for bilateral	27.78	26.94	25.99	19.97	17.82	17.68
Wool	10.20	5.70	6.24	1.94	6.36	5.90
Cotton	9.01	12.11	13.72	12.70	8.77	10.33
Other	8.57	9.13	6.03	5.32	2.69	13.44
Total for multilateral	17.65	17.50	12.59	21.1	22.14	11.50
Karakul	14.82	15.83	10.45	15.17	11.68	8.44
Wool	0.77	0.39	0.04	.11	0.02	
Cotton	0.30	0.05	0.62	2.04	2.28	1.58
Other	1.78	1.23	1.48	3.83	8.16	1.48

1/ Included in all others.

BALANCE OF PAYMENTS & FOREIGN TRADE Cont'd

	1341	1342	1343	1344	1345	1346
Development in Foreign Exchange Position (Millions of US dollars)						
D'Afghanistan Bank						
Foreign Exchange Holdings, Total — Multilateral			10.15	15.50	12.47	6.03
Convertible			9.45	14.83	12.33	5.67
Inconvertible			0.70	0.67	0.14	0.36
Net position under bilateral agreements			-0.42	2.34	1.20	-1.18
Foreign Exchange Holdings plus net bilateral position — Multilateral plus bilateral			9.73	17.84	13.67	4.85
Foreign Exchange holdings, Total, less IMF transactions			4.53	12.13	2.95	2.00
Private Banks						
Foreign Exchange Holdings, Total			2.26	1.63	2.46	2.09
Convertible			1.85	1.31	2.19	1.41
Inconvertible			0.41	0.32	0.27	0.68

PRODUCTION SECTORS

	1341	1342	1343	1344	1345	1346
AGRICULTURE						
Area under Cultivation of Main Crops (hectares 000)						
Total cultivable area	14,000	14,000	14,000	14,000	14,000	14,000
Total area under cultivation	7,800	7,800	7,831	7,835	7,835	7,844
Total irrigated area	5,310	5,310	5,310	5,331	5,331	5,340
Total under crops:						
Wheat	2,341	2,341	2,343	2,346	2,346	2,352
Corn	500	500	500	500	500	501
Barley	350	350	350	350	350	350
Rice	210	210	270	220	222	222
Cotton	73	74	70	70	48	55
Sugarbeet	3.6	3.6	3.5	4.0	4.0	4.6
Sugarcane	1.8	1.8	2	2	2	2
Oilseeds	150	150	150	150	150	150
Vegetables	100	100	105	110	110	110
Fruit	60	60	73	75	78	78
Production of major crops (000 Tons)						
Wheat	2,279	1,947	2,250	2,282	2,033	2,207
Corn	700	713	720	720	720	726
Barley	378	378	380	380	375	375
Rice	319	319	325	325	337	338
Cotton	78	110	79	75	59	55
Sugarbeet	61	56	31	56	56	62
Sugarcane	45	45	48	51	51	51
Oilseeds	50	50	50	52	55	55
Vegetables	500	530	560	580	590	591
Fruit	306	335	365	370	372	385
Yield Per Hectare (Tons)						
Wheat	1.0	0.8	1.0	1.0	0.9	0.9
Corn	1.4	1.4	1.4	1.4	1.4	1.5
Barley	1.1	1.1	1.1	1.1	1.1	1.1
Rice	1.5	1.5	1.5	1.5	1.5	1.5
Cotton	1.1	1.5	1.1	1.1	1.2	1.0
Sugarbeet	16.9	[illegible]	8.8	14.0	14.0	13.4
Sugarcane	25.0	25.0	24.0	25.5	25.5	25.5
Oilseeds	0.3	0.3	0.3	0.3	0.4	0.4
Vegetables	5.0	5.3	5.3	5.2	5.3	5.3

	1341	1342	1343	1344	1345	1346
			PRODUCTION SECTORS Cont'd			
Fruit	5.1	5.5	5.0	4.9	4.7	4.9
Livestock Population [1]						
Sheep (excluding karakul)	16,300	12,200	13,600	15,000	15,000	15,000
Karakul sheep	6,600	5,100	5,500	5,600	5,600	6,000
Cattle	3,700	3,700	3,500	3,600	3,600	3,600
Goats	2,990	3,000	3,200	3,200	3,200	3,200
Donkeys	1,200	1,200	1,200	1,200	1,200	1,200
Camels	300	300	300	300	300	300
Horses	301	301	301	301	301	301
INDUSTRIAL OUTPUT						
Factory Production						
Electric output thous KWH	158.2	181.7	203.7	263.2	302.3	359.6
Fuel						
Coal briquettes thous tons	22.0	26.6	27.2	37.0	29.4	35.5
Construction Material						
Marble thous meters cube	8.8	8.1	6.0	5.4	4.7	3.2
Cement thous tons	59.5	103.3	142.2	172.2	174.0	123.6
Food Industry						
Wheat flour thous tons	29.8	47.9	43.7	54.4	55.3	67.5
Bakery thous tons	12.6	13.8	15.0	14.3	15.5	16.0
Sugar thous tons	8.0	7.0	3.9	7.4	7.1	7.5
Vegetable oil liquid thous tons	0.8	0.8	1.3	1.4	1.8	1.4
Vegetable oil solid thous tons	1.6	1.6	1.2	2.1	1.6	1.4
Light industry						
Soap thous cakes	2.0	1.9	1.8	2.8	1.4	1.5
Shoes thous pairs	25.2	57.0	52.9	74.8	107.6	119.4
Ginned cotton thous tons	21.1	23.6	31.4	30.1	34.5	18.5
Cotton yarn thous bundles	163.3	208.6	177.8	239.4	245.2	192.2
Cotton textiles mill. meters	36.8	36.9	47.0	55.2	66.0	64.0
Woollen textiles thous meters	200	200	213	305	463	340
Rayon thous meters	200	300	700	1,000	1,304	1,311
Miscellaneous						
Ice thous tons	2.2	2.0	3.9	1.5	4.2	4.2
Mine Production						
Salt thous tons	31.6	31.7	29.5	38.1	38.7	31.3
Coal thous tons	84.4	99.2	112.7	144.0	161.6	151.0
Lapis lazuli thous Kg.	7.5	10.8	5.0	5.6	10.3	5.5
Electric Power						
National Capacity KW	61,019	61,330	62,152	59,919	219,228	225,778
Hydro	47,820	47,320	48,390	48,050	211,316	211,316
Diesel	8,389	3,700	8,952	7,059	3,802	9,652
Thermal	4,810	4,810	4,810	4,810	4,110	4,810
National Production KWH	158,201	181,636	203,616	236,248	302,298	354,649
Hydro	148,953	169,431	187,133	210,737	282,414	345,490
Diesel	4,069	3,915	5,723	8,296	8,964	12,463
Thermal	5,179	8,240	10,760	13,115	10,920	1,696

TRANSPORT & COMMUNICATION

	1341	1342	1343	1344	1345	1346
TRANSPORT						
Motor vehicles registered in Kabul						
Lorries	8,106	8,543	11,390	14,287	15,308	15,478
Cars	7,083	8,174	12,806	18,747	27,556	29,152
Buses	1,174	1,225	1,225	2,009	2,238	2,295
Activities of Ariana Afghan Airlines						
Kms flown in thous	1,705	2,667	2,859	2,834	2,290	2,266
Passengers flown	28,770	30,261	32,664	48,574	53,477	57,884
Passenger kms (in thous)	22,272	31,073	39,161	56,028	67,245	72,716
Available seats kms (in thous)	74,793	75,998	37,065	109,722	141,024	157,354
Percentage of utilization	30%	41%	38%	44%	48%	47%

---

[1] Figures based on livestock tax returns and are therefore low.

TRANSPORT & COMMUNICATION Cont'd

	1341	1342	1343	1344	1345	1346
[illegible]	[illegible]	[illegible]	[illegible]	9,686	[illegible]	11,163
[illegible]						
Free [illegible]	2,610	2,796	3,624	[illegible]	[illegible]	6,723
[illegible]	[illegible]	1,156	3,470	4,432	[illegible]	4,376
[illegible]	29	13	27	63	53	64
[illegible]	14,230	[illegible]	11,414	[illegible]	[illegible]	18,836
[illegible] utilisation	61%	32%	62%	42%	[illegible]	[illegible]
Number of post offices						
Particular						
Central	32	32	32	32	32	40
City branches	11	11	11	11	11	11
Airport	4	4	4	4	4	4
Frontier	6	6	6	6	6	6
[illegible]	21	21	21	21	21	21
Provincial	147	147	147	147	[illegible]	152
Activities of post offices (in thous pieces)						
Type of mail						
Letters	4,271	4,646	4,862	[illegible]	4,724	3,963
[illegible]	6	[illegible]	157	184	155	200
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	1,640	1,169
[illegible]	[illegible]	[illegible]	16	[illegible]	12	34
[illegible]	[illegible]	[illegible]	1	1	[illegible]	8
[illegible]	[illegible]	[illegible]	4	[illegible]	[illegible]	90
[illegible]	–	[illegible]	40	[illegible]	[illegible]	22
Postal services	[illegible]	–	92	[illegible]	[illegible]	61
[illegible]						
[illegible]						
[illegible]						
[illegible]	[illegible]	2,667	[illegible]	[illegible]	[illegible]	[illegible]
[illegible] (Afs)	[illegible]	3,217	[illegible]	[illegible]	[illegible]	[illegible]
Private sets						
Number of phones	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible] (Afs)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	7,143
[illegible]						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	255
[illegible]	2,870	[illegible]	[illegible]	4,457	[illegible]	5,623
[illegible]	[illegible]	1,390	[illegible]	[illegible]	[illegible]	2,038
Total [illegible]	6,929	[illegible]	[illegible]	[illegible]	[illegible]	9,575
[illegible]						
[illegible] switchboards	263	265	[illegible]	[illegible]	[illegible]	298
[illegible] capacity, [illegible]	10,249	[illegible]	[illegible]	[illegible]	[illegible]	13,575
[illegible] (000 Afs)	14,282	14,826	15,135	16,214	[illegible]	18,938
Tele[illegible]						
[illegible]	[illegible]	[illegible]	[illegible]		[illegible]	40
Number [illegible]	[illegible]	400	406	[illegible]	424	300
[illegible]	[illegible]	213	191	229	219	215
[illegible]	[illegible]	187	215	208	205	185
Revenue [illegible] Afs)	[illegible]	[illegible]	18,772	19,353	[illegible]	18,856
Radios						
Number [illegible] issued	[illegible]	22,024	31,195	40,807	45,778	26,815
Licence fees (Afs)	116,305	213,340	220,600	206,615	264,570	318,260
Rental of radio sets (Afs)	31,165	20,700	69,300	14,630	43,270	30,960

/1 Including revenue from repair service and sale of telephone equipment.

	1341	1342	1343	1344	1345	1346
	SOCIO - ECONOMIC					
EDUCATION						
National Education Summary						
Schools	11,480	1,712	1,876	2,085	2,298	2,581
Village	820	989	1,062	1,213	1,320	1,426
Elementary & Secondary	602	653	743	789	885	1,030
Vocational & high	58	77	81	83	93	107
Students	263,102	307,769	345,428	403,852	443,459	497,879
Village	50,158	65,557	69,795	84,059	88,137	96,321
Elementary & Secondary	201,806	216,148	260,942	302,230	334,796	377,688
Vocational & High	11,138	13,464	14,991	17,563	20,526	23,870
Products	24,275	27,403	32,002	42,257	51,940	-
Village	8,466	8,842	10,278	13,858	20,353	-
Elementary and Secondary	13,760	16,266	19,247	24,469	27,124	-
Vocational & High	2,049	2,295	2,477	3,900	4,463	-
Teachers	6,011	6,643	7,615	8,525	9,824	11,640
Village	891	982	1,166	1,241	1,339	1,536
Elementary and Secondary	4,345	4,766	5,698	6,452	7,598	8,706
Vocational & High	775	795	811	832	887	1,398
Provincial Education Summary						
Schools	1,480	1,712	1,876	2,085	2,298	2,581
Kabul	195	223	233	167	173	187
Kandahar	94	126	147	124	132	133
Herat	110	122	128	105	107	113
Balkh	102	105	114	153	155	166
Nangarhar	160	172	178	109	116	127
Paktia	81	99	111	117	130	141
Ghazni	71	86	99	104	112	128
Helmand	64	75	81	82	107	126
Farah	70	77	85	70	70	79
Faryab	79	88	95	96	99	125
Jozjan	54	64	71	85	85	97
Takhar	55	60	62	61	73	86
Badakhshan	74	87	102	101	109	121
Bamyan	27	42	52	50	60	61
Orozgan	21	30	41	56	65	72
Ghor	34	50	61	57	77	83
Parwan	109	119	127	57	69	78
Kunduz	-	-	-	60	70	79
Baghlan	80	86	89	58	65	78
Samangan	-	-	-	43	57	65
Badghis	-	-	-	27	28	39
Chakhanseur	-	-	-	42	318	54
Zabul	-	-	-	22	37	41
Logar	-	-	-	29	32	34
Wardak	-	-	-	82	80	65
Kapisa	-	-	-	73	78	80
Laghman	-	-	-	47	49	60
Kunar	-	-	-	48	56	60
Students	263,102	307,769	345,428	403,852	443,459	497,879
Kabul	79,440	88,243	99,067	93,917	100,137	107,730
Kandahar	11,817	15,311	17,991	18,023	19,454	21,118
Herat	17,596	21,097	21,510	22,809	24,294	25,472
Balkh	18,062	18,769	19,970	19,437	20,708	25,105
Nangarhar	23,853	25,778	35,033	25026	26,811	33,363
Paktia	13,288	16,165	20,022	22,696	26,774	28,487
Ghazni	9,285	11,577	13,310	15,055	15,336	16,517
Helmand	7,148	11,786	10,075	11,495	14,631	18,101
Farah	7,354	8,500	9,228	9,611	9,926	11,739
Faryab	10,912	[illegible]	15,266	16,875	18,434	19,752
Jozjan	7,678	10,580	11,126	13,842	13,787	14,775
Takhar	7,810	8,841	9,000	8,992	11,564	13,129
Badakhshan	7,879	9,866	12,112	12,886	13,788	14,862
Bamyan	2,877	3,312	3,823	5,114	5,678	6,305
Oruzgan	1,551	[illegible]	3,803	6,101	7,626	8,886
Ghor	3,254	4,520	5,688	5,720	7,194	7,876
Parwan	18,093	20,085	20,573	11,731	14,364	16,410
Kunduz	-	-	-	10,199	11,667	13,583
Baghlan	15,205	17,492	17,831	11,348	11,997	142,49
Samangan	-	-	-	5,735	6,256	7,459
Badghis	-	-	-	2,854	3,014	4,731
Chakhanseur	-	-	-	4,803	4,957	5,593
Zabul	-	-	-	2,173	2,870	3,820

	1341	1342	1343	1344	1345	1346
			SOCIO-ECONOMIC Cont'd			
Logar	-	-	-	8,664	9,321	9,576
Wardak	-	-	-	6,986	7,983	9,932
Kapisa	-	-	-	13,078	14,296	14,686
Laghman	-	-	-	9,680	11,103	13,759
Kunar	-	-	-	8,291	9,489	10,864
Teachers	6,011	6,643	7,615	8,525	9,824	11,640
Kabul	2,126	2,332	2,824	2,596	2,726	2,873
Kandahar	367	394	480	554	587	539
Herat	457	517	594	554	608	723
Balkh	281	336	368	342	387	598
Nangarhar	695	620	705	497	612	633
Paktia	255	221	253	312	549	625
Ghazni	174	227	252	279	328	407
Helmand	132	78	189	173	224	320
Farah	162	179	177	185	220	286
Faryab	194	253	267	354	419	558
Jozjan	114	145	110	[illegible]	213	254
Takhar	146	132	132	157	214	291
Badakhshan	144	158	164	211	252	257
Bamyan	62	117	80	96	131	160
Uruzgan	39	62	65	110	126	175
Ghor	51	77	150	153	177	193
Parwan	345	373	493	268	366	434
Kunduz	-	-	-	189	233	300
Baghlan	267	319	310	224	238	250
Samangan	-	-	-	107	140	163
Badghis	-	-	-	43	69	105
Chakhansur	-	-	-	79	92	103
Zabul	-	-	-	47	73	79
Logar	-	-	-	140	162	163
Wardak	-	-	-	133	151	188
Kapisa	-	-	-	208	186	252
Laghman	-	-	-	162	[illegible]	72
Kunar	-	-	-	171	[illegible]	[illegible]
Kabul University						
Students	2,22[illegible]	[illegible],568	3,088	3,347	[illegible]	[illegible]
Faculty of Medicine and Pharmacy	493	514	565	[illegible]	[illegible]	[illegible]
Faculty of Law	310	397	466	[illegible]	[illegible]	357
Faculty of Science	367	379	467	417	[illegible]	323
Faculty of Literature	371	434	386	449	-	[illegible]
Faculty of Theology	80	[illegible]	92	108	[illegible]	[illegible]
Faculty of Agriculture	147	[illegible]	190	140	[illegible]	[illegible]
Faculty of Engineering	170	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Faculty of Economics	181	254	[illegible]	364	[illegible]	[illegible]
Faculty of Pharmacy	[illegible]	5	41	19	[illegible]	
Faculty of Education	32	[illegible]	-	[illegible]	[illegible]	[illegible]
Faculty of Home Economics	19	[illegible]	6	2/		
Medical Faculty Nangarhar		-	18	[illegible]	[illegible]	190
Faculty of Management Institute	15	34	28	[illegible]	[illegible]	104
Polytechnic	-	-	-	-	-	250
High Teachers' Training		-	30	47	[illegible]	173
Graduates	302	337	424	494	474	653
Faculty of Medicine and Pharmacy	62	67	86	106	51	69
Faculty of Law	60	69	62	92	104	104
Faculty of Science	34	28	46	26	35	60
Faculty of Literature	45	62	68	48	[illegible]	85
Faculty of Theology	24	14	18	21	23	20
Faculty of Agriculture	29	26	28	26	27	37
Faculty of Engineering	8	18	30	31	33	59
Faculty of Economics	29	25	38	38	17	65
Faculty of Pharmacy	11	[illegible]	[illegible]	1/		
Faculty of Education	-	6	[illegible]	[illegible]	[illegible]	[illegible]
Faculty of Home Economics	2/					
Medical Faculty Nangarhar	-	-		-		-
Management Institute	-	19	[illegible]	[illegible]		
Polytechnic	-	-	-	-		-
High Teachers' Training	-	-	-	25	[illegible]	-
Teachers						
Afghan Teachers	278	310	354	378	411	450
Foreign Teachers	79	93	101	108	106	98

1/ Joined the Faculty of Medicine. 2/ Joined the Faculty of Education.

	1341	1342	1443	1344	1345	1346
	SOCIO-ECONOMIC Cont'd					
HEALTH						
Hospitals and Health Facilities by Province						
Kabul						
Hospitals	11	11	11	12	12	12
Doctors	257	300	320	420	452	506
Beds	1,009	1,147	1,322	1,322	1,322	1,322
Pharmacies	53	53	53	53	71	74
Laboratories	4	4	4	4	4	4
X-Rays	5	5	5	5	5	5
Kandahar						
Hospitals	4	4	4	3	3	3
Doctors	8	8	8	7	7	7
Beds	110	110	110	100	100	100
Pharmacies	19	20	25	25	31	31
Laboratories	1	1	1	1	1	1
X-Rays	1	1	1	1	1	1
Herat						
Hospitals	6	6	6	4	4	4
Doctors	5	9	9	6	6	6
Beds	120	120	120	110	110	110
Pharmacies	24	25	32	32	34	34
Laboratories	1	1	1	1	1	1
X-Rays	1	1	1	1	1	1
Balkh						
Hospitals	4	4	4	4	4	4
Doctors	7	3	8	6	6	6
Beds	80	80	80	70	70	70
Pharmacies	11	10	12	12	13	15
Laboratories	1	1	1	1	1	1
X-Rays	1	1	1	1	1	1
Nangarhar						
Hospitals	6	6	6	4	4	4
Doctors	7	8	8	7	7	7
Beds	90	90	90	70	70	70
Pharmacies	8	8	10	9	13	13
Laboratories	1	1	1	1	1	1
X-Rays	1	1	1	1	1	1
Paktia						
Hospitals	5	5	5	6	6	7
Doctors	5	7	7	5	8	8
Beds	85	85	85	85	85	85
Pharmacies	6	6	7	3	14	14
Laboratories	1	1	1	1	1	1
X-Rays	1	1	1	1	1	1
Ghazni						
Hospitals	2	2	2	2	2	2
Doctors	3	3	3	3	3	3
Beds	40	40	40	40	40	40
Pharmacies	6	7	7	6	10	10
Laboratories	1	1	1	1	1	1
X-Rays	1	1	1	1	1	1
Helmand						
Hospitals	2	2	2	2	2	2
Doctors	6	5	5	4	3	4
Beds	15	15	15	15	15	15
Pharmacies	4	1	3	3	3	3
Laboratories	1	1	1	1	1	1
X-Rays	1	1	1	1	1	1
Farah						
Hospitals	2	2	2	1	1	1
Doctors	2	3	3	2	2	2
Beds	25	25	25	15	15	15
Pharmacies	2	2	2	1	1	1
Laboratories	1	1	1	1	1	1
X-Rays	-	-	-	1	1	1

Note: In the reorganisation of the provinces in 1344-45 the new boundaries changed one hospital from Kandahar to Zabul province, and two hospitals from Herat province, one to Ghor and one to Badghis. In Nangarhar one hospital was thereby changed to Laghman and another to Konar. In Parwan province a hospital was moved to Kapisa. In Baghlan province a hospital was changed to Kunduz. In Farah a hospital was tranferred to Chakhansu.

SOCIO-ECONOMIC Cont'd

	1341	1342	1343	1344	1345	1346
Faryab						
Hospitals	2	2	2	2	2	2
Doctors	3	3	3	3	3	3
Beds	40	40	40	40	40	40
Pharmacies	3	3	4	4	7	7
Laboratories	1	1	1	1	1	1
X-Rays	1	1	1	1	1	1
Jozjan						
Hospitals	1	1	1	1	1	1
Doctors	3	2	2	2	2	2
Beds	25	25	25	25	25	25
Pharmacies	2	3	2	3	6	6
Laboratories		-	-	-	-	-
X-Rays	-	-	-	-	-	-
Takhar						
Hospitals	1	1	1	1	1	1
Doctors	1	2	2	2	2	2
Beds	15	15	15	15	15	15
Pharmacies	1	1	1	1	1	1
Laboratories	-	-	-	-	-	-
X-Rays	-	-	-	-	-	-
Badakhshan						
Hospitals	1	1	1	1	1	1
Doctors	3	2	2	2	2	2
Beds	25	25	25	25	25	25
Pharmacies	1	1	1	1	1	1
Laboratories	-	-	-	-	-	-
X-Rays	-	-	-	-	-	-
Bamyan						
Hospitals	1	1	1	1	1	[illegible]
Doctors	1	[illegible]	[illegible]	1	1	1
Beds	15	15	[illegible]	-	15	15
Pharmacies	1	1	1	[illegible]	1	1
Laboratories	-	-	-	-	[illegible]	-
X-Rays	-	-	-	[illegible]	-	[illegible]
Oruzgan						
Hospitals	1	1	1	1	1	1
Doctors	1	1	1	1	1	1
Beds	15	15	15	15	15	15
Pharmacies	1	1	1	1	1	1
Laboratories	-	-	-	-	-	-
X-Rays	-	-	-	-	-	-
Ghor						
Hospitals	1	1	1	1	1	1
Doctors	1	1	1	1	1	1
Beds	15	15	15	15	15	15
Pharmacies	1	1	1	1	1	1
Laboratories	-	-	-	-	-	-
X-Rays	-	-	-	-	-	-
Parwan						
Hospitals	3	[illegible]	3	2	[illegible]	2
Doctors	4	[illegible]	[illegible]	3	[illegible]	3
Beds	50	[illegible]	[illegible]	5	25	25
Pharmacies	5	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Laboratories	1	1	1	1	1	1
X-Rays	1	[illegible]	1	1	1	1
Kunduz						
Hospitals	-			1	1	1
Doctors	-	-		1	1	1
Beds	-	-		10	10	10
Pharmacies	-	-	-	2	5	6
Laboratories	-	-	-	-	-	-
Baghlan						
Hospitals	6	6	6	5	5	6
Doctors	7	9	9	7	7	7
Beds	85	85	85	75	75	110
Pharmacies	16	16	16	14	14	14
Laboratories	1	1	1	1	1	1
X-Rays	1	1	1	1	1	1

	1341	1342	1343	1344	1345	1346
	SOCIO - ECONOMIC Cont'd					
Samangan						
Hospitals	-	-	-	1	1	1
Doctors	-	-	-	1	1	1
Beds	-	-	-	10	10	10
Pharmacies	-	-	-	-	-	3
Laboratories	-	-	-	-	-	-
X-Rays	-	-	-	-	-	-
Badghis						
Hospitals	-	-	-	1	1	1
Doctors	-	-	-	1	1	1
Beds	-	-	-	10	10	10
Pharmacies	-	-	-	-	-	1
Laboratories	-	-	-	-	-	-
X-Rays	-	-	-	-	-	-
Chakhansur						
Hospitals	-	-	-	1	1	1
Doctors	-	-	-	1	1	1
Beds	-	-	-	10	10	10
Pharmacies	-	-	-	1	1	1
Laboratories	-	-	-	-	-	-
X-Rays	-	-	-	-	-	-
Zabul						
Hospitals	-	-	-	1	1	1
Doctors	-	-	-	1	1	1
Beds	-	-	-	10	10	10
Pharmacies	-	-	-	1	1	1
Laboratories	-	-	-	-	-	-
X-Rays	-	-	-	-	-	-
Logar						
Hospitals	-	-	-	1	1	1
Doctors	-	-	-	2	2	2
Beds	-	-	-	15	25	25
Pharmacies	-	-	-	-	-	1
Laboratories	-	-	-	-	-	-
X-Rays	-	-	-	-	-	-
Wardak						
Hospitals	-	-	-	1	1	1
Doctors	-	-	-	1	1	1
Beds	-	-	-	10	10	10
Pharmacies	-	-	-	-	-	1
Laboratories	-	-	-	-	-	-
X-Rays	-	-	-	-	-	-
Kapisa						
Hospitals	-	-	-	1	1	1
Doctors	-	-	-	1	1	1
Beds	-	-	-	15	15	15
Pharmacies	-	-	-	1	1	1
Laboratories	-	-	-	-	-	-
X-Rays	-	-	-	-	-	-
Laghman						
Hospitals	-	-	-	1	1	1
Doctors	-	-	-	1	1	1
Beds	-	-	-	10	10	10
Pharmacies	-	-	-	1	1	1
Laboratories	-	-	-	-	-	-
X-Rays	-	-	-	-	-	-
Konar						
Hospitals	-	-	-	1	1	1
Doctors	-	-	-	1	1	1
Beds	-	-	-	10	10	10
Pharmacies	-	-	-	-	-	-
Laboratories	-	-	-	-	-	-
X-Rays	-	-	-	-	-	-
Total						
Hospitals	[illegible]	[illegible]	[illegible]	63	63	68
Doctors	[illegible]	[illegible]	[illegible]	496	527	632
Beds	[illegible]	[illegible]	[illegible]	2,187	2,197	2,232
Pharmacies	164	[illegible]	[illegible]	189	239	261
Laboratories	15	15	[illegible]	15	15	15
X-Rays	15	15	[illegible]	15	16	16

	1341	1342	1343	1344	1345	1346
			SOCIO- ECONOMIC Cont'd			
Medical Institute Personnel (Technical)						
Physicians	320	342	396	496	527	582
Asstt. Physicians	73	43	43	19	19	19
Foreign Physicians	6	18	11	11	11	11
Male nurses	247	367	399	269	269	269
Female nurses	76	80	88	90	90	90
Asstt Nurses	27	29	32	36	36	36
Pharmacists	116	119	143	143	169	189
Laboratory Technicians	29	38	50	50	50	50
Laboratory Assistants	14	15	15	18	18	18
Technicians	8	9	10	11	11	11
Innoculators	188	282	380	379	387	379
Surgery Assistants	56	63	69	73	73	73
Sanatorium Technicians	61	56	68	132	161	176
Mechanics	38	38	46	38	38	38
Midwives	95	93	100	91	91	91
Assistant Dentists	36	38	43	38	38	38
Dental Advisors	15	-	-	-	-	-
Radiographers	7	4	7	4	4	4
Contagious Disease Cases in Hospitals						
Small pox	219	483	297	72	75	168
Typhus	13	48	-	-	632	7
Chicken pox	1,460	479	863	1,440	2,987	1,381
Whooping cough	974	1,082	1,871	872	2,314	865
Bacillic Dysentery	1,313	5,913	5,884	2,072	4,243	2,028
Amoebic Dysentery	271	421	259	110	162	98
Typhoid	576	472	535	486	-	467
Diptheria	100	221	242	252	252	271
Influenza	590	266	121	137	1,231	142
Campaign against Tuberculosis						
Persons examined	30,000	52,000	64,502	[illegible]	[illegible]	14,[illegible]
Persons innoculated	15,200	17,110	31,2[illegible]	[illegible]	41,[illegible]	[illegible],16[illegible]
Cases diagnosed	5,630	9,200	16,276	[illegible]	231	[illegible]
Laboratory examinations	1,790	2,445	3,130	2,[illegible]	[illegible]	[illegible]
Persons under treatment	1,030	1,870	1,940	2,[illegible]	[illegible]	715
Persons cured	799	850	975	1,553	[illegible]	154
Production of Vaccines						
Small Pox (thous. doses)	2,575,800	2,895,000	1,853,300	325,117	140,000	117,600
Cholera	78,000	60,000	123,600	200,400	358,450	[illegible]
Typhus	295,000	310,000	133,600	356,977	353,275	256,[illegible]
Rabies for human beings	44,035	45,745	3,780	28,030	41,560	[illegible]
Rabies for animals	1,808	1,810	968	1,280	2,120	1,[illegible]
			EMPLOYMENT & WAGES			
Employment in Communication Sector						
Personnel of Post	387	387	389	348	366	[illegible]
Personnel of Telephone	537	551	552	531	611	673
Personnel of Telegraph	162	160	148	167	138	138
Average Annual Salary of Industrial Workers						
Coal Mining	4,510	7,800	8,356	10,109	11,720	10,693
Mining of non-metalic minerals	8,800	8,140	7,324	7,830	9,160	7,787
Food Production Processing	10,900	8,700	8,460	8,159	7,361	
Textile and cotton cleaning	8,[illegible]0	9,830	8,729	12,048	13,385	13,158
Mobile manufacturing and carpentry	10,800	11,100	11,323	16,994	13,103	17,609
Printing and publications	9,900	11,450	13,278	13,894	16,180	15,842

	1341	1342	1343	1344	1345	1346
	EMPLOYMENT & WAGES Cont'd					
riquetting	6,830	6,120	6,890	7,243	7,474	9,584
uilding Construction Materials	9,390	10,150	11,498	14,281	13,901	14,575
ar repairing, transport equipment and metal works	10,680	12,050	12,766	17,620	15,598	16,094
eneration of electricity	11,470	12,500	14,277	15,562	13,185	13,529
ther industries	-	8,250	13,413	20,695	19,000	10,766
ndustrywise average annual salary	9,036	9,800	9,669	12,349	12,973	13,336

SPECIAL TABULATION ON POPULATION OF GREATER KABUL 1344

POPULATION AND HOUSEHOLDS

Table 1:

By District	Number of Households (000)	Population (000)
Total Greater Kabul	69.9	435.2
Urban Districts	46.9	289.7
1	4.4	25.3
2	6.1	38.6
3	4.3	26.6
4	7.3	51.6
5	3.3	25.2
6	4.4	25.1
7	4.2	21.8
8	4.7	26.5
9	3.3	18.6
10	4.9	31.4
Rural Districts	23.0	145.5
Bagrami	3.6	22.6
Deh Sabz	3.9	25.0
Western Chardehi	6.0	37.0
Daruleman	6.7	42.4
Chehilstoon	2.8	18.5

Table 2:

Household Composition	Number of Households (000)	Percent of Total
Total	69.7	100.0
Unmarried	3.3	4.7
Two or more persons living together but not forming a family	5.2	7.5
One family household	46.0	66.0
Two family household	11.8	16.9
Three family household	2.6	3.7
Four family household	0.6	0.9
Five or more	0.2	0.3

Table 3:

Size of family by Household Size	Average persons per family
One family household	5.6
Two family household	4.2
Three family household	4.0
Four family household	4.0
Five or more	4.5

Table 4: Population by Age and Sex

Age Group	Sex			Percent of Total	Proportional Distriction of Male and Female	
	Total (000)	Male (000)	Female (000)	Total %	Male	Female (In each 1000)
Total	435.2	243.5	191.6	100.0	560	440
0-14		102.4	[illegible]	17.5	526	474
15-19		25.6	16.5	15.5	606	394
20-24		25.5	16.9		602	398
25-29		16.6	14.5		534	466
30-34		14.9	13.1		538	462
35-39		12.6	9.1		581	419
40-44		11.9	8.2		586	414
45-49		7.8	4.7		624	376
50-54		8.3	5.7		543	407
55-59		3.5	2.1		625	375
60-64		6.0	4.0		600	400
65-69		2.1	1.1		660	340
70-74		3.4	1.9		642	358
75 and over		3.3	1.8		448	352

MARITAL STATUS

Table 5: Married Population by Age and Sex

Age Group	Sex					
	Men			Women		
	Total	Married	Percent of Age Group	Total	Married	Percent of Age Group
	(000)	(000)	(%)	(000)	(000)	(%)
15-19	25.6	1.8	7.1	16.5	6.6	40.0
20-34	57.0	29.7	52.2	44.2	39.3	89.0
35-44	24.2	21.2	87.7	17.3	15.3	88.4
45-54	16.1	14.2	90.7	10.5	7.5	71.5
55-64	9.5	8.4	88.5	6.0	3.1	52.0
60 and over	8.8	6.9	79.5	4.8	1.4	29.2

LITERACY

Table 6: Literacy of Population - Age 5 and over

Sex	Population Age 5 and over	Population Age 5 and over	Literate Percentage
	(000)	(000)	(%)
Male	205.2	86.8	42.3
Female	153.9	29.6	19.2
Total	359.1	116.4	32.4

Table 7: Literacy by Age Group

Age Group	Percent Literacy		
	Total Population	Male	Female
	(%)	(%)	(%)
5-9	13.4	15.4	11.5
10-14	65.8	67.8	49.0
15-19	53.7	[illegible]	28.2
20-24	35.1	45.0	19.0
25-34	27.4	41.5	11.8
35-44	27.5	41.0	9.3
45-54	24.9	37.3	5.8
55-64	70.0	31.0	3.4
65 and over	16.2	25.0	2.1
Total	32.4	42.3	19.2

Table 8: Literacy by Education Level and Sex

Educational Attainment	Population Literate		
	Total (000)	Male (000)	Female (000)
Total	116.6	86.9	29.7
Private studies	19.5	12.1	7.4
Primary uncompleted	43.4	27.7	15.7
Primary completed but secondary (6-9 grade) uncompleted	28.2	21.7	6.5
High School (10-12 grade) uncompleted	13.9	11.1	2.8
Completed high school but Faculty uncompleted	10.4	8.7	1.7
Completed 16 grades and over	6.2	5.6	0.6
Unknown	1.8	1.3	0.5

Table 9: Economically Active and Inactive Population by Sex

Sex	Population			Percent of Population	
	Total	Economically Active	Economically Inactive	Economically Active	Economically Inactive
	(000)	(000)	(000)	(%)	(%)
Total	435.2	119.1	316.1	27.4	72.6
Male	243.5	113.4	130.2	46.5	53.5
Female	191.6	5.8	185.9	3.0	97.0

Table 10: Economically Active by Age

Age Group	Sex		
	Total (000)	Male (000)	Female (000)
Total	119.1	113.4	5.7
0-14	5.2	4.7	0.5
15-39	62.1	58.7	3.4
40-59	42.0	40.5	1.5
60 and over	9.8	9.5	0.3

Table 11: Economically Active by Sector

Economic Sector	Total	Number of Employers + Employees in Private Sector	Number of Workers Employed
	(000)	(000)	(000)
Total	119.1	26.8	91.8
Agriculture, forestry & fishing	7.4	3.4	4.0
Industry	20.4	6.3	14.1
Construction	6.2	0.6	5.6
Commerce	18.6	13.3	5.2
Communications and Transport	3.9	0.4	3.6
Education, Health and other Govt. Services	62.6	2.8	59.3

Table 12: Economically Inactive by Reason, Sex and Age

Reason and Sex	Age Group			
	Total	0-14	15-59	60 and over
	(000)	(000)	(000)	(000)
Total Inactive	316.0	189.5	112.2	13.8
Male	130.1	97.7	27.2	5.2
Female	185.9	91.8	85.5	8.6
Occupied in Housework	89.7	9.0	76.3	4.4
Male	2.5	1.1	1.1	0.3
Female	87.2	7.9	75.2	4.1
Students and Apprentices	72.7	7.6	25.1	-
Male	49.2	30.1	19.1	-
Female	32.5	17.5	7.0	-
Dependents	147.4	132.6	6.3	8.3
Male	72.8	66.2	2.7	3.9
Female	74.4	66.4	3.7	4.4

Table 12: Economically Inactive by Reason, Sex and Age (contd...)

Reason and Sex	Age Group			
	Total (000)	0-14 (000)	15-59 (000)	60 and over (000)
Institutional	2.0	0.1	1.7	0.2
Male	1.8	0.1	1.5	0.2
Female	0.2	0.0	0.2	0.0
In Search of Work	2.1	0.1	1.8	0.2
Male	2.0	0.1	1.7	0.2
Female	0.1	0.0	0.1	0.0
Others	2.3	0.1	1.5	0.7
Male	1.8	0.1	1.8	0.2
Female	0.5	0.0	0.4	0.1

Table 13: Persons over 15 Actively inSearch of Work by Literacy and Educational Level

	Sex		
	Total (000)	Male (000)	Female (000)
Literacy			
Total	1,989	1,905	84
Literate	1,038	986	52
Non-literate	951	919	32
Educational Level			
Private Studies	257	251	6
Incomplete Primary	68	68	-
Incomplete Secondary	499	471	28
Incomplete High School	131	120	11
Higher Education	70	63	7
Unknown	13	13	-

POPULATION ORIGIN

Table 14: By Place of Birth

Origin	Population (000)	Percent of Population (%)
Total	435.2	100.0
Born in Kabul	307.8	70.7
Born out of Kabul	127.4	29.3
Born out of Afghanistan	5.0	1.2

Table 15: Immigrants by Period of Stay in Kabul (excluding foreigners)

Period of Stay	Population			Percent of Total
	Total (000)	Male (000)	Female (000)	(%)
Total	122.4	79.6	42.8	100.0
Upto one year	18.7	12.6	6.1	16.3
One to four years	42.0	29.1	12.9	34.3
Five years and over	53.5	32.9	20.6	43.7
Unknown	8.2	5.0	3.2	6.7

Table 16: Immigrants to Kabul According to Province

Province	Population	Percent of Total
	(000)	(%)
Total	122	100.0
Wardak	25.5	20.8
Kabul	14.5	11.8
Parwan	12.2	9.9
Kapisa	11.0	8.9
Nangarhar	10.4	8.5
Ghazni	9.3	7.6
Logar	7.6	6.3
Paktia	6.1	4.9
Laghman	5.0	4.4
Kandahar	3.5	2.9
Bamyan	3.4	2.8
Herat	3.0	2.5
Balkh	2.9	2.4
Kanduz	1.0	0.8
Faryab	1.0	0.8
Kunar	0.9	0.7
Baghlan	0.8	0.6
Badakhshan	0.8	0.6
Jozjan	0.7	0.5
Urozgan	0.6	0.4
Takhar	0.6	0.4

Official Foreign Exchange
Receipts
1344
Monthly

(thous. of dollars)

Month	Multilateral					Bilateral				
	Karakul	Wool	Cotton	Other	Total	Wool	Cotton	Other	Total	Grand Total
Hamal	43	-	-	6	49	164	193	154	511	560
Saur	1,778	-	-	38	1,816	379	1,731	528	2,638	4,454
Jawza	1,122	9	-	83	1,214	324	1,419	599	2,342	3,556
Sartan	142	28	4	60	234	238	1,071	784	2,093	2,327
Asad	423	-	270	1,733	2,426	95	2,386	600	3,081	5,507
Sanbala	349	14	704	38	1,105	-	542	179	721	1,826
Mizan	98	-	214	23	335	128	1,250	491	1,869	2,204
Akrab	2,627	20	575	25	3,247	6	1,107	511	1,624	4,871
Qaus	790	10	25	50	875	187	425	303	942	1,817
Jady	1,349	-	200	32	1,581	129	1,099	450	1,678	3,259
Dalwa	124	15	45	24	208	274	1,462	423	2,159	2,367
Hoot	6,325	13	-	1,717	8,058	12	-	297	309	8,364
TOTAL	15,170	109	2,037	3,629	21,145	1,936	12,712	5,319	19,967	41,112

Official Foreign Exchange
Disbursements
1344
Monthly

(thous of dollars)

Months	Multilateral					Bilateral					
	Govt's Budget	Debt Service	Industries	Other	Total	Govt's Budget	Debt Service	Industries	Other	Total	Grand Total
Hamal	39	96	-	6	141	-	-	282	24	306	447
Saur	545	1,538	-	113	2,196	329	-	-	50	379	2,575
Jawza	457	85	-	79	621	308	-	-	9	317	938
Saratan	400	67	-	78	545	862	-	-	-	862	1,407
Asad	262	-	-	13	275	145	-	-	-	145	420
Sunbala	203	-	-	88	391	1,209	-	-	15	1,224	1,615
Mizan	446	104	-	112	662	367	-	-	-	367	1,029
Akrab	382	1,551	-	11	1,944	154	-	-	-	154	2,098
Qaus	285	91	-	112	488	343	-	-	-	343	831
Jady	124	65	-	28	217	79	-	-	-	79	296
Dalwa	492	23	-	17	532	170	-	-	-	170	702
Hoot	547	-	-	84	631	535	-	25	100	660	1,291
TOTAL	4,282	3,620	-	741	8,643	4,501	-	307	198	5,006	13,649

Source: Da Afghanistan Bank

Official Foreign Exchange
Receipts

1346
Monthly

(thous. of dollars)

	Multilateral					Bilateral				
Month	Karakul	Wool	Cotton	Other	Total	Wool	Cotton	Other	Total	Grand Total
Hamal	346	-	-	1,692	2,038	71	-	218	289	2,327
Saur	1,826	-	109	27	1,964	94	73	390	557	2,521
Jawza	2,059	-	-	1,710	3,769	269	640	286	1,195	4,964
Saratan	1,963	-	433	20	2,416	749	1,733	154	2,636	5,052
Asad	10	12	485	541	1,048	1,305	1,031	154	2,490	3,538
Sanbala	17	-	312	2,013	2,342	1,084	396	284	1,764	4,106
Mizan	463	2	50	18	533	395	507	146	1,048	1,581
Akrab	-	5	393	23	421	761	2,501	168	3,430	3,851
Qaus	-	-	278	2,028	2,306	519	204	263	986	3,292
Jady	2,662	-	33	14	2,709	341	318	124	783	3,492
Dalwa	6	-	90	41	137	710	524	365	1,599	1,736
Hoot	2,327	3	96	33	2,459	64	844	140	1,048	3,507
TOTAL	11,681	22	2,279	8,160	22,142	6,362	8,771	2,692	17,825	39,967

Official Foreign Exchange Disbursements

1345

Monthly

Month	Multilateral					Bilateral					
	Govt's Budget	Debt Service	Industries	Other	Total	Govt's Budget	Debt Service	Industries	Other	Total	Grand Total
Hamal	14	105	-	41	160	4	-	282	50	336	496
Saur	711	1,538	-	1,145	3,394	132	-	-	-	132	3,526
Jawza	243	42	-	57	342	563	-		-	563	905
Sartan	486	114	-	30	630	[illegible]		[illegible]	50	311	941
Asad	503	1	-	2,119	2,623	251	654	-	-	905	3,528
Sunbala	175	-	-	36	211	63	-	21	-	84	295
Mizan	287	1,658	-	175	2,12[illegible]		-	-	-	-	2,120
Akrab	422	-	-	1,169	1,5[illegible]	153	-	282	13	448	2,039
Qaus	231	96	-	27	354	62	-	-	100	162	516
Jady	286	221	-	60	567	576	-	-	100	676	1,243
Dalwa	451	-	-	31	482	994	-	-	-	994	1,476
Hoot	406	7	-	60	463	-	1,319	-	50	1,369	1,832
TOTAL	4,215	3,782	-	4,940	12,937	2.948	1,973	696	363	5,980	18,917

Official Foreign Exchance Receipts

1346
Monthly

(In thous. dollars)

Month	Multilateral					Bilateral				
	Karakul	Wool	Cotton	Other	Total	Wool	Cotton	Other	Total	Grand Total
Hamal	34	-	379	8	421	883	652	28	1,563	1,984
Saur	1,428	-	57	14	1,499	321	351	77	749	2,248
Jawza	494	-	21	19	534	191	3,987	61	4,239	4,773
Saratan	25	-	17	12	54	-	498	212	710	764
Asad	48	7	224	13	292	801	4	537	1,342	1,634
Sanbala	19	-	482	807	1,308	491	1,253	23	1,767	3,075
Mizan	1,113	-	123	13	1,249	527	1,621	82	2,230	3,479
Akrab	917	-	101	14	1,032	396	185	50	631	1,663
Qaus	6	-	53	10	69	654	315	43	1,012	1,081
Jady	2,046	-	80	1[illegible]	2,138	530	81	54	665	2,803
Dalwa	-	-	38	12	50	118	678	31	827	877
Hoot	2,310	-	-	544	2,854	992	708	146	1,846	4,700
TOTAL	8,445	7	1,575	1,478	11,500	5,904	1,033	1,344	17,581	29,081

Official Foreign Exchange
Disbursements
1346
Monthly

(thous of dollars)

th	Multilateral				Bilateral					
	Govt's Budget	Debt Service	Other	Total	Govt's Budget	Debt Service	Industrial Debts	Transit	Others	Totals
al	159	107	5	271	-	-	282	-	-	282
r	600	1,537	17	2,154	290	-	-	-	-	290
za	188	115	4	307	17	-	-	-	-	17
atan	291	193	7	591	7	-	108	-	24	139
d	306	221	12	539	28	-	-	-	2	30
bala	88	7	6	101	133	-	633	-	-	765
en	298	1,669	137	2,104	-	62	240	-	-	302
ab	362	-	5	367	168	-	-	-	-	168
e	91	99	6	196	106	-	-	-	-	106
y	131	592	4	727	133	-	106	-	-	239
wa	488	2	12	503	295	-	-	100	-	395
t	463	-	170	633	599	4,234	-	50	-	4,883
AL	3,565	4,542	358	8,492	1,776	4,296	1,369	150	26	7,617

ERRATA

Page No.	Line	for	read
2	Table 2, col. 2, 5th line	556	953
3	7	this	the
3	9	1344	1345
3	9	138	420
3	25	35.3	35.6
7	1	marco-economic	macro-economic
11	First line below Table 1	sounding	rounding
14	2nd col. against 1342	-0.56	0.953
14	First col. last date	1345	1346
14	Second line below Table 2	0.1	0.420
15	Below Table 4		**Footnote:** 1346 information is preliminary. As a consequence the figures do not balance. Each item is the best independent estimate from sources available.
16	26	dethod	method
17	Table 5, col. 4 below 1346 and against Total	160.0	100.0
18	6	floods	foods
30	Penultimate line	wants and supplying and sinews reached 8.3%. For example, the	goods imports lead to an outflow of foreign exrhange. They also
32	12	data exist	data do not exist
32	Table on the facing page		Should be titled Table 2
35	Under Imports 3rd line	Wheat	whet
40	24	for each 100 men	for each 1000 men

Page No.	Line	for	read
42. Table at the bottom of the page			Should be titled Table 2: "Industrial Establishments classified by Number of Employees".
51 First heading		Irigation	Irrigation
65	8	tre	the
69 Table 1. col. 1		Lorris	Lorries
88 After the 5th para			Insert heading "Street Lighting"